



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2004
OF THE CONDITION AND AFFAIRS OF THE

John Deere Health Plan, Inc.

| | | | | | | |
|---------------------------------------|---|----------------|---|--|---------------------------------------|------------|
| NAIC Group Code | 0219 | 0219 | NAIC Company Code | 95378 | Employer's ID Number | 36-3379945 |
| | (Current Period) | (Prior Period) | | | | |
| Organized under the Laws of | Illinois | | | State of Domicile or Port of Entry | Illinois | |
| Country of Domicile | United States of America | | | | | |
| Licensed as business type: | Life, Accident & Health [] | | Property/Casualty [] | | Dental Service Corporation [] | |
| | Vision Service Corporation [] | | Other [] | | Health Maintenance Organization [X] | |
| | Hospital, Medical & Dental Service or Indemnity [] | | Is HMO, Federally Qualified? Yes [] No [X] | | | |
| Incorporated | 08/05/1985 | | Commenced Business | 07/01/1985 | | |
| Statutory Home Office | 1300 River Drive | | | Moline, IL 61265 | | |
| | (Street and Number) | | | (City or Town, State and Zip Code) | | |
| Main Administrative Office | 1300 River Drive | | | 309-765-1200 | | |
| | (Street and Number) | | | (Area Code) (Telephone Number) | | |
| | Moline, IL 61265 | | | 309-765-1200 | | |
| | (City or Town, State and Zip Code) | | | (Area Code) (Telephone Number) | | |
| Mail Address | 1300 River Drive | | | Moline, IL 61265 | | |
| | (Street and Number or P.O. Box) | | | (City or Town, State and Zip Code) | | |
| Primary Location of Books and Records | 1300 River Drive | | | 309-765-1221 | | |
| | (Street and Number) | | | (Area Code) (Telephone Number) | | |
| | Moline, IL 61265 | | | 309-765-1221 | | |
| | (City or Town, State and Zip Code) | | | (Area Code) (Telephone Number) | | |
| Internet Website Address | JohnDeereHealth.com | | | | | |
| Statutory Statement Contact | Joan G. Mincer | | | 309-765-1221 | | |
| | (Name) | | | (Area Code) (Telephone Number) (Extension) | | |
| | MincerJoanG@JohnDeere.com | | | 309-748-1146 | | |
| | (E-mail Address) | | | (FAX Number) | | |
| Policyowner Relations Contact | 1300 River Drive | | | 309-765-1200 | | |
| | (Street and Number) | | | (Area Code) (Telephone Number) (Extension) | | |
| | Moline, IL 61265 | | | 309-765-1200 | | |
| | (City or Town, State and Zip Code) | | | (Area Code) (Telephone Number) (Extension) | | |

OFFICERS

| Name | Title | Name | Title |
|----------------------------|-----------|--------------------|-----------|
| Richard Lowell Bartsh M.D. | President | James Alan Cousins | Treasurer |
| Victoria Jane Graves | Secretary | | |

OTHER OFFICERS

| | | | |
|-------------------------|-----------------------|---------------------------|-----------------------|
| Charles Phillip Parsons | Senior Vice President | Bruce Chase Steffens M.D. | Senior Vice President |
| Douglas Robert Niska | Vice President | | |

DIRECTORS OR TRUSTEES

| | | | |
|---------------------------|--------------------------|-----------------------------------|---------------------------|
| James Alan Cousins | Charles Phillip Parsons | Richard Lowell Bartsh M.D. | James Edward Hecker |
| William Kenneth Appelgate | John Willard Golden M.D. | Cathie Sue Whiteside | Bruce Chase Steffens M.D. |
| Victoria Kauzlarich | Deno James Minas | Charlotte Hershberger Koenig M.D. | |

State ofIllinois.....
County ofRock Island.....
ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

| | | |
|--|---------------------------------|---|
| Richard Lowell Bartsh M.D. President | James Alan Cousins Treasurer | Victoria Jane Graves Secretary |
| Subscribed and sworn to before me this 22 day of February, 2005 | | a. Is this an original filing? Yes [X] No [] b. If no, 1. State the amendment number 2. Date filed 3. Number of pages attached |
| Mary Ann Vickers Executive Administrative Assistant 10/02/2007 | | |

ASSETS

| | Current Year | | | Prior Year |
|--|--------------|--------------------|--------------------------------------|------------------------|
| | 1 | 2 | 3 | 4 |
| | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | Net Admitted Assets |
| 1. Bonds (Schedule D)..... | 190,395,262 | | 190,395,262 | 160,782,535 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | 0 | | 0 | 0 |
| 2.2 Common stocks | 0 | | 0 | 3,235,236 |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances)..... | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$0 , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short-term investments (\$16,164,291 , Schedule DA)..... | 16,164,291 | | 16,164,291 | 17,210,212 |
| 6. Contract loans, (including \$premium notes) | | | 0 | 0 |
| 7. Other invested assets (Schedule BA) | 0 | 0 | 0 | 0 |
| 8. Receivable for securities | | | 0 | 0 |
| 9. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 10. Subtotals, cash and invested assets (Lines 1 to 9) | 206,559,553 | 0 | 206,559,553 | 181,227,983 |
| 11. Investment income due and accrued | 1,867,180 | | 1,867,180 | 1,842,988 |
| 12. Premiums and considerations: | | | | |
| 12.1 Uncollected premiums and agents' balances in the course of collection | 4,282,683 | 2,107,736 | 2,174,947 | 7,228,473 |
| 12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium)..... | | | 0 | 0 |
| 12.3 Accrued retrospective premium..... | | | 0 | 0 |
| 13. Reinsurance: | | | | |
| 13.1 Amounts recoverable from reinsurers | 177,317 | | 177,317 | 293,026 |
| 13.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 13.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 14. Amounts receivable relating to uninsured plans | 3,782,432 | | 3,782,432 | 4,624,588 |
| 15.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 15.2 Net deferred tax asset..... | 1,608,634 | 1,608,634 | 0 | 0 |
| 16. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 17. Electronic data processing equipment and software..... | | | 0 | 0 |
| 18. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 19. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 20. Receivables from parent, subsidiaries and affiliates | | | 0 | 0 |
| 21. Health care (\$4,768,189) and other amounts receivable..... | 4,768,188 | 1,048,057 | 3,720,131 | 112,324 |
| 22. Other assets nonadmitted | | | 0 | 0 |
| 23. Aggregate write-ins for other than invested assets | 0 | 0 | 0 | 0 |
| 24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)..... | 223,045,987 | 4,764,427 | 218,281,560 | 195,329,382 |
| 25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | 0 |
| 26. Total (Lines 24 and 25) | 223,045,987 | 4,764,427 | 218,281,560 | 195,329,382 |
| DETAILS OF WRITE-INS | | | | |
| 0901. | | | | |
| 0902. | | | | |
| 0903. | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above) | 0 | 0 | 0 | 0 |
| 2301. Other Accounts Receivable..... | | | 0 | 0 |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) | 0 | 0 | 0 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Year | | | Prior Year |
|--|--------------|----------------|-------------|-------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$0 reinsurance ceded) | 84,830,734 | 8,260,770 | 93,091,504 | 93,315,097 |
| 2. Accrued medical incentive pool and bonus amounts | 337,725 | | 337,725 | 255,210 |
| 3. Unpaid claims adjustment expenses | | | 0 | 0 |
| 4. Aggregate health policy reserves | | | 0 | 0 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserves | | | 0 | 0 |
| 7. Aggregate health claim reserves | | | 0 | 0 |
| 8. Premiums received in advance | 7,307,894 | | 7,307,894 | 22,158,214 |
| 9. General expenses due or accrued | 4,413,702 | | 4,413,702 | 4,046,485 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including | | | | |
| \$0 on realized capital gains (losses)) | 1,985,452 | | 1,985,452 | 0 |
| 10.2 Net deferred tax liability | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | | | 0 | 0 |
| 13. Remittance and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including | | | | |
| \$ current) | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 14,996,923 | | 14,996,923 | 1,791,161 |
| 16. Payable for securities | | | 0 | 0 |
| 17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers) | | | 0 | 0 |
| 18. Reinsurance in unauthorized companies | | | 0 | 0 |
| 19. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 20. Liability for amounts held under uninsured accident and health plans | | | 0 | 0 |
| 21. Aggregate write-ins for other liabilities (including \$0 current) | 683,980 | 0 | 683,980 | 233,301 |
| 22. Total liabilities (Lines 1 to 21) | 114,556,410 | 8,260,770 | 122,817,180 | 121,799,467 |
| 23. Common capital stock | XXX | XXX | 610,000 | 610,000 |
| 24. Preferred capital stock | XXX | XXX | | 0 |
| 25. Gross paid in and contributed surplus | XXX | XXX | 37,441,000 | 22,441,000 |
| 26. Surplus notes | XXX | XXX | | 0 |
| 27. Aggregate write-ins for other than special surplus funds | XXX | XXX | 1,500,000 | 1,500,000 |
| 28. Unassigned funds (surplus) | XXX | XXX | 55,913,380 | 48,978,914 |
| 29. Less treasury stock, at cost: | | | | |
| 29.1 shares common (value included in Line 23 | | | | |
| \$) | XXX | XXX | | 0 |
| 29.2 shares preferred (value included in Line 24 | | | | |
| \$) | XXX | XXX | | 0 |
| 30. Total capital and surplus (Lines 23 to 28 Less 29) | XXX | XXX | 95,464,380 | 73,529,914 |
| 31. Total liabilities, capital and surplus (Lines 22 and 30) | XXX | XXX | 218,281,560 | 195,329,381 |
| DETAILS OF WRITE-INS | | | | |
| 2101. Payables From Cost Contracts | (17,187) | | (17,187) | 27,269 |
| 2102. Payable to CMS | 135,066 | | 135,066 | 0 |
| 2103. State Income Taxes Payable | 88,711 | | 88,711 | 126,032 |
| 2198. Summary of remaining write-ins for Line 21 from overflow page | 477,390 | 0 | 477,390 | 80,000 |
| 2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above) | 683,980 | 0 | 683,980 | 233,301 |
| 2701. Reserve and Restricted Funds | XXX | XXX | 1,500,000 | 1,500,000 |
| 2702. | XXX | XXX | | |
| 2703. | XXX | XXX | | |
| 2798. Summary of remaining write-ins for Line 27 from overflow page | XXX | XXX | 0 | 0 |
| 2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above) | XXX | XXX | 1,500,000 | 1,500,000 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year | | Prior Year |
|---|----------------|--------------|--------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 2,758,495 | 2,762,768 |
| 2. Net premium income (including .....0 non-health premium income)..... | XXX | 725,611,304 | 641,671,083 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | | 0 |
| 4. Fee-for-service (net of \$ medical expenses) | XXX | | 0 |
| 5. Risk revenue | XXX | | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 725,611,304 | 641,671,083 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | 45,307,537 | 549,779,694 | 477,174,746 |
| 10. Other professional services | 1,732,471 | 13,934,989 | 13,691,340 |
| 11. Outside referrals | | | 0 |
| 12. Emergency room and out-of-area | 767,582 | 16,283,039 | 13,671,566 |
| 13. Prescription drugs | | 79,357,556 | 69,836,083 |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | (13,296,402) | (15,476,266) |
| 16. Subtotal (Lines 9 to 15) | 47,807,590 | 646,058,876 | 558,897,469 |
| Less: | | | |
| 17. Net reinsurance recoveries | | 369,271 | 641,390 |
| 18. Total hospital and medical (Lines 16 minus 17) | 47,807,590 | 645,689,605 | 558,256,078 |
| 19. Non-health claims | | | 0 |
| 20. Claims adjustment expenses, including \$1,924,223 cost containment expenses..... | | 12,790,575 | 11,797,716 |
| 21. General administrative expenses..... | | 67,580,517 | 76,752,167 |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)..... | | 0 | 0 |
| 23. Total underwriting deductions (Lines 18 through 22) | 47,807,590 | 726,060,697 | 646,805,961 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (449,393) | (5,134,878) |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17)..... | 8,390,277 | 8,390,277 | 7,923,022 |
| 26. Net realized capital gains (losses) | | 860,818 | 365,655 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 8,390,277 | 9,251,095 | 8,288,677 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)] | | | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | (102,751) | (80,000) |
| 30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29) | XXX | 8,698,951 | 3,073,799 |
| 31. Federal and foreign income taxes incurred | XXX | 3,073,665 | 1,014,161 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | 5,625,286 | 2,059,638 |
| DETAILS OF WRITE-INS | | | |
| 0601. Contractual Recoveries..... | XXX | | 0 |
| 0602. Audit Recoveries..... | XXX | | 0 |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | XXX | 0 | 0 |
| 0701. | XXX | | |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above) | XXX | 0 | 0 |
| 1401. | | | |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 |
| 2901. Fines & Penalties - Regulatory Authorities..... | | (102,751) | (80,000) |
| 2902. | | | |
| 2903. | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) | 0 | (102,751) | (80,000) |

CAPITAL AND SURPLUS ACCOUNT

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| CAPITAL AND SURPLUS ACCOUNT: | | |
| 33. Capital and surplus prior-reporting period | 73,529,914 | 79,549,883 |
| GAINS AND LOSSES TO CAPITAL & SURPLUS: | | |
| 34. Net income or (loss) from Line 32 | 5,625,286 | 2,059,637 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | 0 |
| 36. Net unrealized capital gains and losses | (8,364) | 381,692 |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | 0 |
| 38. Change in net deferred income tax | | 0 |
| 39. Change in nonadmitted assets | 1,544,381 | (2,323,016) |
| 40. Change in unauthorized reinsurance | 0 | 0 |
| 41. Change in treasury stock | 0 | 0 |
| 42. Change in surplus notes | 0 | 0 |
| 43. Cumulative effect of changes in accounting principles | | 0 |
| 44. Capital Changes: | | |
| 44.1 Paid in | | 0 |
| 44.2 Transferred from surplus (Stock Dividend) | | 0 |
| 44.3 Transferred to surplus | | 0 |
| 45. Surplus adjustments: | | |
| 45.1 Paid in | 15,000,000 | 1,000 |
| 45.2 Transferred to capital (Stock Dividend) | 0 | 0 |
| 45.3 Transferred from capital | | (1,000) |
| 46. Dividends to stockholders | | (6,400,000) |
| 47. Aggregate write-ins for gains or (losses) in surplus | (226,837) | 261,718 |
| 48. Net change in capital & surplus (Lines 34 to 47) | 21,934,466 | (6,019,969) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 95,464,380 | 73,529,914 |
| DETAILS OF WRITE-INS | | |
| 4701. Change in Non-Admitted assets Affecting Net Income..... | 988,745 | 506,654 |
| 4702. Change in Accrual affecting Net Income..... | (1,215,582) | (758,149) |
| 4703. Change in GAAP vs Statutory Value of Short Term Investments..... | | 513,213 |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above) | (226,837) | 261,718 |

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

| | 2004 | | 2003 |
|--|----------------|--------------------|---------------|
| | CURRENT PERIOD | YEAR TO DATE TOTAL | TOTAL |
| MEMBER MONTHS | 263,205 | 1,000,888 | 864,937 |
| REVENUES: | | | |
| 1. TennCare Capitation | 45,885,720 | 177,746,728 | \$168,732,551 |
| 2. Adverse Selection | 0 | 0 | 0 |
| 3. Total TennCare Revenue (Lines 1 and 2) | 45,885,720 | 177,746,728 | 168,732,551 |
| 4. Investment | 43,068 | 148,094 | 138,258 |
| 5. Other Revenue (Provide detail) | 0 | 0 | 0 |
| 6. TOTAL REVENUES (Lines 3 to 5) | 45,928,788 | 177,894,823 | 168,870,809 |
| EXPENSES: | | | |
| Medical and Hospital Services: | | | |
| 7. Capitated Physician Services | 0 | 0 | 0 |
| 8. Fee-for Service Physician Services | 14,829,800 | 56,718,536 | 47,654,056 |
| 9. Inpatient Hospital Services | 9,486,704 | 44,312,076 | 33,315,580 |
| 10. Outpatient Services | 6,428,068 | 23,093,445 | 15,945,476 |
| 11. Emergency Room Services | 3,634,513 | 14,110,381 | 9,743,375 |
| 12. Mental Health Services | 0 | 0 | 0 |
| 13. Dental Services | 20,079 | 16,102 | 29,297 |
| 14. Vision Services | 159,797 | 569,161 | 545,654 |
| 15. Pharmacy Services | (102) | 3,251 | 27,573,368 |
| 16. Home Health Services | 1,550,051 | 4,839,532 | 3,224,831 |
| 17. Chiropractic Services | 0 | 0 | 0 |
| 18. Radiology Services | 1,768,017 | 4,484,408 | 3,649,794 |
| 19. Laboratory Services | 1,550,403 | 5,899,151 | 5,142,737 |
| 20. Durable Medical Equipment Services | 1,482,698 | 5,656,357 | 4,486,515 |
| 21. Transportation Services | 429,310 | 1,643,189 | 1,574,448 |
| 22. Outside Referrals | 0 | 0 | 0 |
| 23. Medical Incentive Pool and Withhold Adjustments | (29,080) | (29,080) | (269,371) |
| 24. Occupancy, Depreciation, and Amortization | 0 | 0 | 0 |
| 25. Other Medical and Hospital Services (Provide Detail) | 176,802 | 213,740 | 1,680,353 |
| 26. Subtotal (Lines 7 to 25) | 41,487,059 | 161,530,248 | 154,296,116 |
| LESS: | | | |
| 27. Net Reinsurance Recoveries Incurred | 0 | 0 | 0 |
| 28. Copayments | 0 | 0 | 0 |
| 29. Subrogation and Coordination of Benefits | 0 | 0 | 0 |
| 30. Subtotal (Lines 27 to 29) | 0 | 0 | 0 |
| 31 TOTAL MEDICAL AND HOSPITAL (Lines 26 minus line 30) | 41,487,059 | 161,530,248 | 154,296,116 |
| Administration: | | | |
| 32. Compensation | 3,169,601 | 11,519,472 | 9,263,906 |
| 33. Marketing | 96,390 | 350,317 | 346,565 |
| 34. Interest Expense | 0 | 0 | 0 |
| 35. Premium Tax Expense | 917,714 | 3,557,035 | 3,377,416 |
| 36. Occupancy, Depreciation and Amortization | 258,023 | 937,750 | 1,586,805 |
| 37. Other Administration (Provide detail) | 0 | 60,000 | 10,000 |
| 38. TOTAL ADMINISTRATION (Lines 32 to 37) | 4,441,729 | 16,424,574 | 14,584,692 |
| 39. TOTAL EXPENSES (Lines 31 and 38) | 45,928,788 | 177,954,822 | 168,880,808 |
| 40. Extraordinary Item | | | |
| 41. Provision for Income Tax | 0 | (18,000) | (3,000) |
| 42. NET INCOME (LOSS) (Line 6 less Lines 39, 40, and 41) | \$0 | (\$42,000) | (\$7,000) |
| Write-ins: | | | |
| REVENUES: | | | |
| Line 5 Contractual Recoveries | 0 | 0 | 0 |
| Line 5 Deferral of Revenue for Administration fee Risk | 0 | 0 | 0 |
| EXPENSES: | | | |
| Line 25 Reinsurance Expense | 0 | 0 | 0 |
| Line 25 Nurseline | 24,458 | 93,618 | 85,879 |
| Line 25 Risk Sharing (Option #2) New Risk Arrangement | 152,344 | 120,122 | 1,594,474 |
| Line 25 Risk Sharing during Exigency | 0 | 0 | 0 |
| Line 37 Fines & Penalties- Regulatory Authorities | 0 | 60,000 | 10,000 |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year Ended December 31 |
|---|------------------------------|--------------------------------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance..... | 716,135,530 | 647,415,024 |
| 2. Net investment income | 9,481,678 | 7,930,059 |
| 3. Miscellaneous income | (102,751) | (80,000) |
| 4. Total (Lines 1 to 3) | 725,514,457 | 655,265,083 |
| 5. Benefits and loss related payments | 649,076,102 | 551,706,379 |
| 6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts..... | | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 80,003,875 | 88,343,780 |
| 8. Dividends paid to policyholders | | 0 |
| 9. Federal and foreign income taxes paid (recovered) \$ net of tax on capital gains (losses) | 1,088,213 | 1,585,582 |
| 10. Total (Lines 5 through 9) | 730,168,190 | 641,635,741 |
| 11. Net cash from operations (Line 4 minus Line 10) | (4,653,733) | 13,629,342 |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 38,072,362 | 49,862,440 |
| 12.2 Stocks | 3,372,231 | 0 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 41,444,593 | 49,862,440 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 67,214,348 | 84,109,439 |
| 13.2 Stocks | 13,359 | 0 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 67,227,707 | 84,109,439 |
| 14. Net increase (or decrease) in policy loans and premium notes | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (25,783,114) | (34,246,999) |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 15,000,000 | 0 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | 0 |
| 16.5 Dividends to stockholders | 0 | 6,400,000 |
| 16.6 Other cash provided (applied)..... | 14,390,926 | 7,263,999 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6) | 29,390,926 | 863,999 |
| RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17) | (1,045,921) | (19,753,658) |
| 19. Cash and short-term investments: | | |
| 19.1 Beginning of year | 17,210,212 | 36,963,870 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 16,164,291 | 17,210,212 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|--------------|---|------------------------|----------------|----------------|--|----------------------------|--------------------------|-----------|----------------------|-------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-term Care | Other Health | Other Non-Health |
| 1. Net premium income | 725,611,304 | 536,452,592 | 0 | 0 | 0 | 13,423,567 | 146,991,295 | 5,497,509 | 0 | 0 | 0 | 23,246,341 | 0 |
| 2. Change in unearned premium reserves and reserve for rate credit | 0 | | | | | | | | | | | | |
| 3. Fee-for-service (net of \$ medical expenses) | 0 | 0 | | | | | | | | | | | XXX |
| 4. Risk revenue | 0 | 0 | | | | | | | | | | | XXX |
| 5. Aggregate write-ins for other health care related revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 6. Aggregate write-ins for other non-health care related revenues | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 7. Total revenues (Lines 1 to 6) | 725,611,304 | 536,452,592 | 0 | 0 | 0 | 13,423,567 | 146,991,295 | 5,497,509 | 0 | 0 | 0 | 23,246,341 | 0 |
| 8. Hospital/medical/ benefits | 549,779,694 | 417,486,251 | | | | 7,849,517 | 104,537,133 | 2,401,143 | | | | 17,505,650 | XXX |
| 9. Other professional services | 13,934,989 | 10,581,814 | | | | 198,958 | 2,649,650 | 60,861 | | | | 443,707 | XXX |
| 10. Outside referrals | 0 | | | | | | | | | | | | XXX |
| 11. Emergency room and out-of-area | 16,283,039 | 12,364,853 | | | | 232,482 | 3,096,117 | 71,116 | | | | 518,472 | XXX |
| 12. Prescription Drugs | 79,357,555 | 60,261,753 | | | | 1,133,033 | 15,089,337 | 346,591 | | | | 2,526,840 | XXX |
| 13. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 14. Incentive pool, withhold adjustments and bonus amounts | (13,296,402) | (5,509,295) | | | | 0 | (6,369,270) | (359,127) | | | | (1,058,710) | XXX |
| 15. Subtotal (Lines 8 to 14) | 646,058,875 | 495,185,375 | 0 | 0 | 0 | 9,413,990 | 119,002,967 | 2,520,583 | 0 | 0 | 0 | 19,935,959 | XXX |
| 16. Net reinsurance recoveries | 369,271 | 9,392 | | | | 0 | (2,444) | 362,323 | | | | 0 | XXX |
| 17. Total medical and hospital (Lines 15 minus 16) | 645,689,604 | 495,175,983 | 0 | 0 | 0 | 9,413,990 | 119,005,411 | 2,158,260 | 0 | 0 | 0 | 19,935,959 | XXX |
| 18. Non-health claims (net) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 19. Claims adjustment expenses including \$ 1,924,223 cost containment expenses | 12,790,575 | 11,026,783 | | | | 236,621 | 1,170,078 | 172,048 | | | | 185,045 | |
| 20. General administrative expenses | 67,580,517 | 58,399,793 | | | | 1,111,739 | 6,182,243 | 909,033 | | | | 977,708 | |
| 21. Increase in reserves for accident and health contracts | 0 | | | | | | | | | | | | XXX |
| 22. Increase in reserves for life contracts | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 23. Total underwriting deductions (Lines 17 to 22) | 726,060,696 | 564,602,560 | 0 | 0 | 0 | 10,762,350 | 126,357,732 | 3,239,341 | 0 | 0 | 0 | 21,098,712 | 0 |
| 24. Total underwriting gain or (loss) (Line 7 minus Line 23) | (449,392) | (28,149,968) | 0 | 0 | 0 | 2,661,217 | 20,633,563 | 2,258,168 | 0 | 0 | 0 | 2,147,629 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | | | | |
| 0501. | | | | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1301. | | | | | | | | | | | | | XXX |
| 1302. | | | | | | | | | | | | | XXX |
| 1303. | | | | | | | | | | | | | XXX |
| 1398. Summary of remaining write-ins for Line 13 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

| | 1 | 2 | 3 | 4 |
|---|--------------------|------------------------|----------------------|--|
| Line of Business | Direct Business | Reinsurance Assumed | Reinsurance Ceded | Net Premium Income (Cols. 1+2-3) |
| 1. Comprehensive (hospital and medical) | 536,951,187 | | 498,595 | 536,452,592 |
| 2. Medicare Supplement | | | | .0 |
| 3. Dental Only..... | | | | .0 |
| 4. Vision Only..... | | | | .0 |
| 5. Federal Employees Health Benefits Plan | 13,423,567 | | | 13,423,567 |
| 6. Title XVIII - Medicare | 147,052,240 | | 60,945 | 146,991,295 |
| 7. Title XIX - Medicaid..... | 5,536,642 | | 39,133 | 5,497,509 |
| 8. Stop Loss | | | | .0 |
| 9. Disability Income | | | | .0 |
| 10. Long-term care | | | | .0 |
| 11. Other health..... | 23,246,341 | | | 23,246,341 |
| 12. Health subtotal (Lines 1 through 11) | 726,209,977 | 0 | 598,673 | 725,611,304 |
| 13. Life | | | | .0 |
| 14. Property/Casualty..... | | | | .0 |
| 15. Totals (Lines 12 to 14) | 726,209,977 | 0 | 598,673 | 725,611,304 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|--------------|--|------------------------|----------------|----------------|---|-------------------------|-----------------------|--------------|----------------------|-------------------|--------------|----------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other Health | Other Non- Health |
| 1. Payments during the year: | | | | | | | | | | | | | |
| 1.1 Direct | 659,578,870 | 492,135,465 | | | | 9,537,990 | 127,860,001 | 9,300,523 | | | | 20,744,891 | |
| 1.2 Reinsurance assumed | 0 | | | | | | | | | | | | |
| 1.3 Reinsurance ceded | 484,979 | (167,926) | | | | | (2,444) | 655,349 | | | | | |
| 1.4 Net | 659,093,891 | 492,303,391 | 0 | 0 | 0 | 9,537,990 | 127,862,445 | 8,645,174 | 0 | 0 | 0 | 20,744,891 | 0 |
| 2. Paid medical incentive pools and bonuses | (13,378,916) | (6,230,669) | | | | | (6,120,024) | (35,268) | | | | (992,955) | |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | | | | |
| 3.1 Direct | 93,091,504 | 69,680,829 | 0 | 0 | 0 | 1,353,000 | 19,080,505 | 128,644 | 0 | 0 | 0 | 2,848,526 | 0 |
| 3.3 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.4 Net | 93,091,504 | 69,680,829 | 0 | 0 | 0 | 1,353,000 | 19,080,505 | 128,644 | 0 | 0 | 0 | 2,848,526 | 0 |
| 4. Claim reserve December 31, current year from Part 2D: | | | | | | | | | | | | | |
| 4.1 Direct | 0 | | | | | | | | | | | | |
| 4.2 Reinsurance assumed | 0 | | | | | | | | | | | | |
| 4.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Accrued medical incentive pools and bonuses, current year | 337,725 | 200,505 | | | | | 141,827 | (25,780) | | | | 21,173 | |
| 6. Amounts recoverable from reinsurers December 31, current year | 177,317 | 177,317 | | | | | | | | | | | |
| 7. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | | | | |
| 7.1 Direct | 93,315,096 | 61,121,623 | 0 | 0 | 0 | 1,477,000 | 21,568,268 | 6,549,457 | 0 | 0 | 0 | 2,598,748 | 0 |
| 7.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7.4 Net | 93,315,096 | 61,121,623 | 0 | 0 | 0 | 1,477,000 | 21,568,268 | 6,549,457 | 0 | 0 | 0 | 2,598,748 | 0 |
| 8. Claim reserve December 31, prior year from Part 2D: | | | | | | | | | | | | | |
| 8.1 Direct | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Accrued medical incentive pools and bonuses, prior year | 255,210 | (520,869) | 0 | 0 | 0 | 0 | 391,072 | 298,079 | 0 | 0 | 0 | 86,928 | 0 |
| 10. Amounts recoverable from reinsurers December 31, prior year | 293,026 | 0 | 0 | 0 | 0 | 0 | 0 | 293,026 | 0 | 0 | 0 | 0 | 0 |
| 11. Incurred Benefits: | | | | | | | | | | | | | |
| 11.1 Direct | 659,355,278 | 500,694,671 | 0 | 0 | 0 | 9,413,990 | 125,372,238 | 2,879,710 | 0 | 0 | 0 | 20,994,669 | 0 |
| 11.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11.3 Reinsurance ceded | 369,270 | 9,391 | 0 | 0 | 0 | 0 | (2,444) | 362,323 | 0 | 0 | 0 | 0 | 0 |
| 11.4 Net | 658,986,008 | 500,685,280 | 0 | 0 | 0 | 9,413,990 | 125,374,682 | 2,517,387 | 0 | 0 | 0 | 20,994,669 | 0 |
| 12. Incurred medical incentive pools and bonuses | (13,296,401) | (5,509,295) | 0 | 0 | 0 | 0 | (6,369,269) | (359,127) | 0 | 0 | 0 | (1,058,710) | 0 |

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|------------|--|------------------------|----------------|----------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------|-----------------|---------------------|
| | Total | Comprehensive (Medical & Hospital) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan Premium | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other Health | Other Non-Health |
| 1. Reported in Process of Adjustment: | | | | | | | | | | | | | |
| 1.1. Direct | 0 | | | | | | | | | | | | |
| 1.2. Reinsurance assumed | 0 | | | | | | | | | | | | |
| 1.3. Reinsurance ceded | 0 | | | | | | | | | | | | |
| 1.4. Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Incurred but Unreported: | | | | | | | | | | | | | |
| 2.1. Direct | 69,749,669 | 49,806,145 | | | | 967,000 | 16,516,598 | (5,835) | | | | 2,465,761 | |
| 2.2. Reinsurance assumed | 0 | | | | | | | | | | | | |
| 2.3. Reinsurance ceded | 0 | | | | | | | | | | | | |
| 2.4. Net | 69,749,669 | 49,806,145 | 0 | 0 | 0 | 967,000 | 16,516,598 | (5,835) | 0 | 0 | 0 | 2,465,761 | 0 |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | | | | |
| 3.1. Direct | 23,341,835 | 19,874,684 | | | | 386,000 | 2,563,907 | 134,479 | | | | 382,765 | |
| 3.2. Reinsurance assumed | 0 | | | | | | | | | | | | |
| 3.3. Reinsurance ceded | 0 | | | | | | | | | | | | |
| 3.4. Net | 23,341,835 | 19,874,684 | 0 | 0 | 0 | 386,000 | 2,563,907 | 134,479 | 0 | 0 | 0 | 382,765 | 0 |
| 4. TOTALS: | | | | | | | | | | | | | |
| 4.1. Direct | 93,091,504 | 69,680,829 | 0 | 0 | 0 | 1,353,000 | 19,080,505 | 128,644 | 0 | 0 | 0 | 2,848,526 | 0 |
| 4.2. Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.3. Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.4. Net | 93,091,504 | 69,680,829 | 0 | 0 | 0 | 1,353,000 | 19,080,505 | 128,644 | 0 | 0 | 0 | 2,848,526 | 0 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

| Line of Business | Claims Paid During the Year | | Claim Reserve and Claim Liability Dec. 31 of Current Year | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|--|--|--|---|--|---|--|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid December 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | 67,633,720 | 424,492,354 | 2,583,801 | 67,097,027 | 70,217,521 | 61,121,623 |
| 2. Medicare Supplement | | | | | 0 | 0 |
| 3. Dental Only..... | | | | | 0 | 0 |
| 4. Vision Only..... | | | | | 0 | 0 |
| 5. Federal Employees Health Benefits Plan Premiums | 1,313,642 | 8,224,348 | 50,000 | 1,303,000 | 1,363,642 | 1,477,000 |
| 6. Title XVIII - Medicare | 18,583,575 | 109,278,869 | 76,809 | 21,852,222 | 18,660,384 | 24,167,016 |
| 7. Title XIX - Medicaid..... | 2,644,502 | 6,293,698 | 19,003 | 109,641 | 2,663,505 | 6,549,457 |
| 8. Other health | 3,015,070 | 17,729,821 | | | 3,015,070 | 0 |
| 9. Health subtotal (Lines 1 to 8)..... | 93,190,509 | 566,019,090 | 2,729,613 | 90,361,890 | 95,920,122 | 93,315,096 |
| 10. Other non-health..... | | | | | 0 | 0 |
| 11. Medical incentive pools, and bonus amounts | 4,175,623 | (17,554,540) | 0 | 337,725 | 4,175,623 | 255,210 |
| 12. Totals (Lines 9 to 11) | 97,366,132 | 548,464,550 | 2,729,613 | 90,699,615 | 100,095,745 | 93,570,306 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .32,036 | .32,036 | .32,036 | .32,036 | .32,036 |
| 2. 2000..... | 209,025 | 240,532 | 240,425 | 240,425 | 240,425 |
| 3. 2001..... | XXX | 203,567 | 245,437 | 245,728 | 245,728 |
| 4. 2002..... | XXX | XXX | 260,670 | 305,802 | 305,183 |
| 5. 2003..... | XXX | XXX | XXX | 335,681 | 403,314 |
| 6. 2004..... | XXX | XXX | XXX | XXX | 423,436 |

Section B – Incurred Health Claims - Hospital and Medical

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .32,036 | .32,036 | .32,036 | .32,036 | .32,036 |
| 2. 2000..... | 209,025 | 240,532 | 240,425 | 240,425 | 240,425 |
| 3. 2001..... | XXX | 203,567 | 245,437 | 245,728 | 245,728 |
| 4. 2002..... | XXX | XXX | 260,670 | 305,802 | 305,183 |
| 5. 2003..... | XXX | XXX | XXX | 335,681 | 405,898 |
| 6. 2004..... | XXX | XXX | XXX | XXX | 490,734 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claim Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claim Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--|--------------------------|-------------------------|--|--------------------------------|--|--------------------------------|------------------------|---|---|---------------------------------|
| 1. 2000..... | 275,020 | 240,425 | 7,161 | 3.0 | 247,586 | 90.0 | | | 247,586 | 90.0 |
| 2. 2001..... | 323,467 | 245,728 | 6,809 | 2.8 | 252,537 | 78.1 | | | 252,537 | 78.1 |
| 3. 2002..... | 348,751 | 305,183 | 8,227 | 2.7 | 313,410 | 89.9 | | | 313,410 | 89.9 |
| 4. 2003..... | 464,474 | 403,314 | 8,540 | 2.1 | 411,854 | 88.7 | 2,584 | | 414,438 | 89.2 |
| 5. 2004..... | 465,129 | 423,436 | 9,259 | 2.2 | 432,695 | 93.0 | 67,298 | | 499,992 | 107.5 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Federal Employees Health Benefits Plan Premium

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .615 | .615 | .615 | .615 | .615 |
| 2. 2000 | 4,013 | 4,618 | 4,618 | 4,618 | 4,618 |
| 3. 2001 | XXX | 3,909 | 4,921 | 4,921 | 4,921 |
| 4. 2002 | XXX | XXX | 6,308 | 7,399 | 7,399 |
| 5. 2003 | XXX | XXX | XXX | 8,106 | 9,420 |
| 6. 2004 | XXX | XXX | XXX | XXX | 8,224 |

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .615 | 1,230 | .615 | .615 | .615 |
| 2. 2000 | 4,013 | 4,618 | 4,618 | 4,618 | 4,618 |
| 3. 2001 | XXX | 3,909 | 4,921 | 4,921 | 4,921 |
| 4. 2002 | XXX | XXX | 6,308 | 7,399 | 7,399 |
| 5. 2003 | XXX | XXX | XXX | 8,106 | 9,470 |
| 6. 2004 | XXX | XXX | XXX | XXX | 9,527 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Federal Employees Health Benefits Plan Premium

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claim Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claim Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--|--------------------------|-------------------------|--|--------------------------------|--|--------------------------------|------------------------|---|---|---------------------------------|
| 1. 2000 | 6,696 | 4,618 | 174 | 3.8 | 4,793 | 71.6 | | | 4,793 | 71.6 |
| 2. 2001 | 5,678 | 4,921 | 120 | 2.4 | 5,041 | 88.8 | | | 5,041 | 88.8 |
| 3. 2002 | 6,665 | 7,399 | 157 | 2.1 | 7,556 | 113.4 | | | 7,556 | 113.4 |
| 4. 2003 | 8,857 | 9,420 | 163 | 1.7 | 9,583 | 108.2 | 50 | | 9,633 | 108.8 |
| 5. 2004 | 8,862 | 8,224 | 176 | 2.1 | 8,401 | 94.8 | 1,303 | | 9,704 | 109.5 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | 4,534 | 4,567 | 4,567 | 4,567 | 4,567 |
| 2. 2000 | 27,810 | 34,456 | 34,492 | 34,492 | 34,492 |
| 3. 2001 | XXX | 40,879 | 51,260 | 51,290 | 51,290 |
| 4. 2002 | XXX | XXX | 81,719 | 95,987 | 96,059 |
| 5. 2003 | XXX | XXX | XXX | 108,427 | 130,025 |
| 6. 2004 | XXX | XXX | XXX | XXX | 127,009 |

Section B - Incurred Health Claims - Medicare

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | 4,534 | 9,101 | 4,567 | 4,567 | 4,567 |
| 2. 2000 | 27,810 | 34,456 | 34,492 | 34,492 | 34,492 |
| 3. 2001 | XXX | 40,879 | 51,260 | 51,290 | 51,290 |
| 4. 2002 | XXX | XXX | 81,719 | 95,987 | 96,059 |
| 5. 2003 | XXX | XXX | XXX | 108,427 | 130,102 |
| 6. 2004 | XXX | XXX | XXX | XXX | 149,024 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claim Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claim Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--|--------------------------|-------------------------|--|--------------------------------|--|--------------------------------|------------------------|---|---|---------------------------------|
| 1. 2000 | 58,501 | 34,492 | 1,179 | 3.4 | 35,670 | 61.0 | | | 35,670 | 61.0 |
| 2. 2001 | 80,246 | 51,290 | 1,523 | 3.0 | 52,813 | 65.8 | | | 52,813 | 65.8 |
| 3. 2002 | 103,068 | 96,059 | 1,689 | 1.8 | 97,749 | 94.8 | | | 97,749 | 94.8 |
| 4. 2003 | 125,236 | 130,025 | 2,432 | 1.9 | 132,457 | 105.8 | 77 | | 132,533 | 105.8 |
| 5. 2004 | 125,290 | 127,009 | 2,303 | 1.8 | 129,311 | 103.2 | 22,015 | | 151,326 | 120.8 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | ..13,043 | ..13,115 | ..13,115 | ..13,115 | ..13,115 |
| 2. 2000 | ..67,430 | ..81,120 | ..81,149 | ..81,149 | ..81,149 |
| 3. 2001 | XXX | ..85,198 | 115,138 | 115,278 | 115,278 |
| 4. 2002 | XXX | XXX | 100,383 | 111,494 | 111,273 |
| 5. 2003 | XXX | XXX | XXX | ..39,027 | ..41,964 |
| 6. 2004 | XXX | XXX | XXX | XXX | 6,294 |

Section B – Incurred Health Claims - Title XIX Medicaid

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | ..13,043 | ..26,158 | ..13,115 | ..13,115 | ..13,115 |
| 2. 2000 | ..67,430 | ..81,120 | ..81,149 | ..81,149 | ..81,149 |
| 3. 2001 | XXX | ..85,198 | 115,138 | 115,278 | 115,278 |
| 4. 2002 | XXX | XXX | 100,383 | 111,494 | 111,273 |
| 5. 2003 | XXX | XXX | XXX | ..39,027 | ..41,983 |
| 6. 2004 | XXX | XXX | XXX | XXX | 6,378 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claim Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claim Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--|--------------------------|-------------------------|--|--------------------------------|--|--------------------------------|------------------------|---|---|---------------------------------|
| 1. 2000 | 120,257 | ..81,149 | ..3,131 | 3.9 | ..84,280 | 70.1 | | | ..84,280 | 70.1 |
| 2. 2001 | 162,707 | 115,278 | 3,425 | 3.0 | 118,703 | 73.0 | | | 118,703 | 73.0 |
| 3. 2002 | 127,637 | 111,273 | 3,011 | 2.7 | 114,284 | 89.5 | | | 114,284 | 89.5 |
| 4. 2003 | 43,104 | ..41,964 | 793 | 1.9 | ..42,757 | 99.2 | ..19 | | ..42,776 | 99.2 |
| 5. 2004 | 43,266 | 6,294 | 861 | 13.7 | 7,155 | 16.5 | 84 | | 7,239 | 16.7 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .50,229 | .50,333 | .50,333 | .50,333 | .50,333 |
| 2. 2000..... | 308,279 | 360,726 | 360,684 | 360,684 | 360,684 |
| 3. 2001..... | XXX | 333,552 | 416,757 | 417,218 | 417,218 |
| 4. 2002..... | XXX | XXX | 449,080 | 520,682 | 519,914 |
| 5. 2003..... | XXX | XXX | XXX | 491,240 | 584,724 |
| 6. 2004..... | XXX | XXX | XXX | XXX | 564,963 |

Section B - Incurred Health Claims - Grand Total

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2000 | 2 2001 | 3 2002 | 4 2003 | 5 2004 |
| 1. Prior | .50,229 | .68,526 | .50,333 | .50,333 | .50,333 |
| 2. 2000..... | 308,279 | 360,726 | 360,684 | 360,684 | 360,684 |
| 3. 2001..... | XXX | 333,552 | 416,757 | 417,218 | 417,218 |
| 4. 2002..... | XXX | XXX | 449,080 | 520,682 | 519,914 |
| 5. 2003..... | XXX | XXX | XXX | 491,240 | 587,453 |
| 6. 2004..... | XXX | XXX | XXX | XXX | 655,662 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

| Years in which Premiums were Earned and Claims were Incurred | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|-----------------|----------------|---|-----------------------|---|-----------------------|---------------|--|--|-----------------------|
| | Premiums Earned | Claim Payments | Claim Adjustment Expense Payments | Col. (3/2) Percent | Claim and Claim Adjustment Expense Payments (Col 2+3) | Col. (5/1) Percent | Claims Unpaid | Unpaid Claim Adjustment Expenses | Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | Col. (9/1) Percent |
| 1. 2000..... | 460,474 | 360,684 | 11,645 | 3.2 | 372,329 | 80.9 | .0 | .0 | 372,329 | 80.9 |
| 2. 2001..... | 572,097 | 417,218 | 11,876 | 2.8 | 429,094 | 75.0 | .0 | .0 | 429,094 | 75.0 |
| 3. 2002..... | 586,121 | 519,914 | 13,085 | 2.5 | 532,999 | 90.9 | .0 | .0 | 532,999 | 90.9 |
| 4. 2003..... | 641,671 | 584,724 | 11,927 | 2.0 | 596,650 | 93.0 | 2,730 | .0 | 599,380 | 93.4 |
| 5. 2004..... | 642,546 | 564,963 | 12,599 | 2.2 | 577,562 | 89.9 | 90,700 | 0 | 668,261 | 104.0 |

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|--|-------|--|------------------------|-------------|-------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------|-------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| POLICY RESERVE | | | | | | | | | | | | |
| 1. Unearned premium reserves | .0 | | | | | | | | | | | |
| 2. Additional policy reserves (a) | .0 | | | | | | | | | | | |
| 3. Reserve for future contingent benefits | .0 | | | | | | | | | | | |
| 4. Reserve for rate credits or experience rating refunds (including \$ for investment income) | .0 | | | | | | | | | | | |
| 5. Aggregate write-ins for other policy reserves | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 6. Totals (Gross) | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 7. Reinsurance ceded | .0 | | | | | | | | | | | |
| 8. Totals (Net) (Page 3, Line 4) | 0 | 0 | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CLAIM RESERVE | | | | | | | | | | | | |
| 9. Present value of amounts not yet due on claims | .0 | | | | | | | | | | | |
| 10. Reserve for future contingent benefits | .0 | | | | | | | | | | | |
| 11. Aggregate write-ins for other claim reserves | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 12. Totals (Gross) | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 13. Reinsurance ceded | .0 | | | | | | | | | | | |
| 14. Totals (Net) (Page 3, Line 7) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | | | |
| 0501. | | | | | | | | | | | | |
| 0502. | | | | | | | | | | | | |
| 0503. | | | | | | | | | | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 0599. TOTALS (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1101. | | | | | | | | | | | | |
| 1102. | | | | | | | | | | | | |
| 1103. | | | | | | | | | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1199. TOTALS (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

| | Claim Adjustment Expenses | | 3 General Administration Expenses | 4 Investment Expenses | 5 Total |
|---|--------------------------------------|--|--|-----------------------------|--------------------|
| | 1 Cost Containment Expenses | 2 Other Claim Adjustment Expenses | | | |
| 1. Rent (\$0 for occupancy of own building)..... | | 123,263 | 1,478,371 | | 1,601,634 |
| 2. Salaries, wages and other benefits..... | 1,924,223 | 6,450,175 | 34,446,282 | 22,379 | 42,843,059 |
| 3. Commissions (less \$0 ceded plus \$0 Assumed..... | | | 16,119,271 | | 16,119,271 |
| 4. Legal fees and expenses..... | | | 165,209 | | 165,209 |
| 5. Certifications and accreditation fees..... | | 865 | 127,484 | | 128,349 |
| 6. Auditing, actuarial and other consulting services..... | | | 155,605 | | 155,605 |
| 7. Traveling expenses..... | | 14,080 | 458,215 | | 472,295 |
| 8. Marketing and advertising..... | | 224 | 980,425 | | 980,649 |
| 9. Postage, express and telephone..... | | 1,880,232 | 188,787 | | 2,069,019 |
| 10. Printing and office supplies..... | | 787,898 | 1,600,075 | | 2,387,973 |
| 11. Occupancy, depreciation and amortization..... | | 6,971 | 1,896,195 | | 1,903,166 |
| 12. Equipment..... | | 7,441 | 277,726 | | 285,167 |
| 13. Cost or depreciation of EDP equipment and software..... | | 8,687 | 3,464,488 | | 3,473,175 |
| 14. Outsourced services including EDP, claims, and other services..... | | 1,542,250 | 4,159,452 | 3,127 | 5,704,829 |
| 15. Boards, bureaus and association fees..... | | 120 | 60,504 | | 60,624 |
| 16. Insurance, except on real estate..... | | | 437,385 | | 437,385 |
| 17. Collection and bank service charges..... | | | 430,765 | 236 | 431,001 |
| 18. Group service and administration fees..... | | 12,065 | 460,239 | | 472,304 |
| 19. Reimbursements by uninsured accident and health plans..... | | | (12,807,539) | | (12,807,539) |
| 20. Reimbursements from fiscal intermediaries..... | | | 5,382,047 | | 5,382,047 |
| 21. Real estate expenses..... | | | | | 0 |
| 22. Real estate taxes..... | | 32,081 | 352,788 | | 384,869 |
| 23. Taxes, licenses and fees: | | | | | |
| 23.1 State and local insurance taxes..... | | | | | 0 |
| 23.2 State premium taxes..... | | | 7,485,436 | | 7,485,436 |
| 23.3 Regulatory authority licenses and fees..... | | | 3,960 | | 3,960 |
| 23.4 Payroll taxes..... | | | | | 0 |
| 23.5 Other (excluding federal income and real estate taxes)..... | | | 257,347 | | 257,347 |
| 24. Investment expenses not included elsewhere..... | | | | | 0 |
| 25. Aggregate write-ins for expenses..... | 0 | 0 | 0 | 0 | 0 |
| 26. Total expenses incurred (Lines 1 to 25)..... | 1,924,223 | 10,866,352 | 67,580,517 | 25,742 | (a).....80,396,834 |
| 27. Less expenses unpaid December 31, current year..... | | | 4,413,702 | | 4,413,702 |
| 28. Add expenses unpaid December 31, prior year..... | | | 4,046,485 | | 4,046,485 |
| 29. Amounts receivable related to uninsured accident and health plans, prior year..... | | | 4,624,588 | | 4,624,588 |
| 30. Amounts receivable related to uninsured accident and health plans, current year..... | | | 2,837,845 | | 2,837,845 |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) | 1,924,223 | 10,866,352 | 65,426,558 | 25,742 | 78,242,875 |
| DETAIL OF WRITE-INS | | | | | |
| 2501. | | | | | |
| 2502. | | | | | |
| 2503. | | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0 | 0 | 0 | 0 | 0 |
| 2599. Totals (Line 2501 thru 2503 plus 2598)(Line 25 above) | 0 | 0 | 0 | 0 | 0 |

(a) Includes management fees of \$79,175,997 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

| | | 1 | 2 |
|----------------------|---|--------------------------|-----------------------|
| | | Collected During Year | Earned During Year |
| 1. | U.S. Government bonds | (a) 2,320,822 | 2,327,481 |
| 1.1 | Bonds exempt from U.S. tax | (a) ..... | ..... |
| 1.2 | Other bonds (unaffiliated) | (a) 5,869,791 | 5,895,362 |
| 1.3 | Bonds of affiliates | (a) ..... | ..... |
| 2.1 | Preferred stocks (unaffiliated) | (b) ..... | ..... |
| 2.11 | Preferred stocks of affiliates | (b) ..... | ..... |
| 2.2 | Common stocks (unaffiliated) | 5,076 | 2,040 |
| 2.21 | Common stocks of affiliates ..... | ..... | ..... |
| 3. | Mortgage loans | (c) ..... | ..... |
| 4. | Real estate | (d) ..... | ..... |
| 5. | Contract loans ..... | ..... | ..... |
| 6. | Cash, cash equivalents and short-term investments | (e) 196,138 | 191,136 |
| 7. | Derivative instruments | (f) ..... | ..... |
| 8. | Other invested assets ..... | ..... | ..... |
| 9. | Aggregate write-ins for investment income | 0 | 0 |
| 10. | Total gross investment income | 8,391,827 | 8,416,019 |
| 11. | Investment expenses | | (g) |
| 12. | Investment taxes, licenses and fees, excluding federal income taxes | | (g) 25,742 |
| 13. | Interest expense | | (h) |
| 14. | Depreciation on real estate and other invested assets | | (i) |
| 15. | Aggregate write-ins for deductions from investment income | | 0 |
| 16. | Total (Lines 11 through 15) | | 25,742 |
| 17. | Net Investment Income - (Line 10 minus Line 16) | | 8,390,277 |
| DETAILS OF WRITE-INS | | | |
| 0901. | ..... | ..... | ..... |
| 0902. | ..... | ..... | ..... |
| 0903. | ..... | ..... | ..... |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 |
| 0999. | Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) | 0 | 0 |
| 1501. | ..... |  |  |
| 1502. | ..... |  |  |
| 1503. | ..... |  |  |
| 1598. | Summary of remaining write-ins for Line 15 from overflow page | | 0 |
| 1599. | Total (Lines 1501 through 1503 plus 1598) (Line 15, above) | | 0 |

(a) Includes \$ 279,201 accrual of discount less \$ 532,777 amortization of premium and less \$ 360,737 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
(c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ 0 accrual of discount less \$ 1,310 amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | | 1 | 2 | 3 | 4 |
|----------------------|--|--|----------------------------------|--|---------------|
| | | Realized Gain (Loss) On Sales or Maturity | Other Realized Adjustments | Increases (Decreases) by Adjustment | Total |
| 1. | U.S. Government bonds | 36,046 | ..... | ..... | ..... 36,046 |
| 1.1 | Bonds exempt from U.S. tax ..... | ..... | ..... | ..... | ..... 0 |
| 1.2 | Other bonds (unaffiliated) | 688,269 | ..... | ..... | ..... 688,269 |
| 1.3 | Bonds of affiliates ..... | ..... | ..... | ..... | ..... 0 |
| 2.1 | Preferred stocks (unaffiliated) ..... | ..... | ..... | ..... | ..... 0 |
| 2.11 | Preferred stocks of affiliates ..... | ..... | ..... | ..... | ..... 0 |
| 2.2 | Common stocks (unaffiliated) | 136,503 | ..... | ..... (8,364) | 128,139 |
| 2.21 | Common stocks of affiliates ..... | ..... | ..... | ..... | ..... 0 |
| 3. | Mortgage loans ..... | ..... | ..... | ..... | ..... 0 |
| 4. | Real estate ..... | ..... | ..... | ..... | ..... 0 |
| 5. | Contract loans ..... | ..... | ..... | ..... | ..... 0 |
| 6. | Cash, cash equivalents and short-term investments ..... | ..... | ..... | ..... | ..... 0 |
| 7. | Derivative instruments ..... | ..... | ..... | ..... | ..... 0 |
| 8. | Other invested assets ..... | ..... | ..... | ..... | ..... 0 |
| 9. | Aggregate write-ins for capital gains (losses) | 0 | 0 | 0 | 0 |
| 10. | Total capital gains (losses) | 860,818 | 0 | (8,364) | 852,454 |
| DETAILS OF WRITE-INS | | | | | |
| 0901. | ..... |  |  |  |  |
| 0902. | ..... |  |  |  |  |
| 0903. | ..... |  |  |  |  |
| 0998. | Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 |
| 0999. | Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) | 0 | 0 | 0 | 0 |

EXHIBIT OF NONADMITTED ASSETS

| | 1 | 2 | 3 |
|---|--|----------------------------------|--|
| | Current Year Total Nonadmitted Assets | Prior Year Nonadmitted Assets | Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
| 1. Bonds (Schedule D)..... | 0 | 0 | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 |
| 2.2 Common stocks | 0 | 0 | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | 0 | 0 | 0 |
| 3.2 Other than first liens | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | 0 | 0 | 0 |
| 4.2 Properties held for the production of income..... | 0 | 0 | 0 |
| 4.3 Properties held for sale | 0 | 0 | 0 |
| 5. Cash, (Schedule E, Part 1), cash equivalents (Schedule E, Part 2) and short -term investments (Schedule DA) | 0 | 0 | 0 |
| 6. Contract loans | 0 | 0 | 0 |
| 7. Other invested assets (Schedule BA) | 0 | 0 | 0 |
| 8. Receivable for securities | 0 | 0 | 0 |
| 9. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 10. Subtotals, cash and invested assets (Lines 1 to 9) | 0 | 0 | 0 |
| 11. Investment income due and accrued | 0 | 0 | 0 |
| 12. Premiums and considerations: | | | |
| 12.1 Uncollected premiums and agents' balances in the course of collection | 2,107,736 | 2,473,212 | 365,476 |
| 12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due..... | 0 | 0 | 0 |
| 12.3 Accrued retrospective premium..... | 0 | 0 | 0 |
| 13. Reinsurance: | | | |
| 13.1 Amounts recoverable from reinsurers | 0 | 0 | 0 |
| 13.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 |
| 13.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 |
| 14. Amounts receivable relating to uninsured plans | 0 | 0 | 0 |
| 15.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 805,875 | 805,875 |
| 15.2 Net deferred tax asset..... | 1,608,634 | 1,734,984 | 126,351 |
| 16. Guaranty funds receivable or on deposit | 0 | 0 | 0 |
| 17. Electronic data processing equipment and software..... | 0 | 0 | 0 |
| 18. Furniture and equipment, including health care delivery assets..... | 0 | 0 | 0 |
| 19. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 |
| 20. Receivables from parent, subsidiaries and affiliates | 0 | 0 | 0 |
| 21. Health care and other amounts receivable..... | 1,048,057 | 1,294,737 | 246,680 |
| 22. Other assets nonadmitted | 0 | 0 | 0 |
| 23. Aggregate write-ins for other than invested assets | 0 | 0 | 0 |
| 24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)..... | 4,764,427 | 6,308,808 | 1,544,381 |
| 25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 | 0 |
| 26. Total (Lines 24 and 25) | 4,764,427 | 6,308,808 | 1,544,381 |
| DETAILS OF WRITE-INS | | | |
| 0901. | | | |
| 0902. | | | |
| 0903. | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above) | 0 | 0 | 0 |
| 2301. Other Accounts Receivable..... | 0 | 0 | 0 |
| 2302. | | | |
| 2303. | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) | 0 | 0 | 0 |

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| Source of Enrollment | Total Members at End of | | | | | 6 Current Year Member Months |
|--|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
| | 1 Prior Year | 2 First Quarter | 3 Second Quarter | 4 Third Quarter | 5 Current Year | |
| 1. Health Maintenance Organizations..... | 103,472 | 106,333 | 107,671 | 97,259 | 96,120 | 1,218,324 |
| 2. Provider Service Organizations..... | .0 | | | | | |
| 3. Preferred Provider Organizations..... | .0 | | | | | |
| 4. Point of Service..... | 121,933 | 132,793 | 131,542 | 125,887 | 124,783 | 1,540,171 |
| 5. Indemnity Only..... | .0 | | | | | |
| 6. Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total | 225,405 | 239,126 | 239,213 | 223,146 | 220,903 | 2,758,495 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. | | | | | | |
| 0602. | | | | | | |
| 0603. | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | .0 | .0 | .0 | .0 | .0 | .0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | 0 | 0 | 0 | 0 | 0 |

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

| 1 Name of Debtor | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 Over 90 Days | 6 Nonadmitted | 7 Admitted |
|---|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| 0199999 Total individuals | 0 | 0 | 0 | 0 | 0 | 0 |
| Group subscribers: | | | | | | |
| Wal-Mart Stores, Inc..... | 3,538,064 | 113,209 | 0 | | 0 | 3,651,274 |
| FEHB..... | 1,103,818 | 1,139,757 | 1,134,364 | 1,335,681 | 1,335,681 | 3,377,939 |
| Benefit Partners..... | 685,265 | 315,486 | 4,422 | (5,916) | (5,916) | 1,005,172 |
| Hamilton Count Department of Education..... | 718,188 | 15,256 | 0 | 0 | 0 | 733,444 |
| Nationwide Insurance Company..... | 681,647 | 0 | 0 | 0 | 0 | 681,647 |
| Citigroup, Inc. - Citibank..... | 360,400 | 127,344 | 0 | 0 | 0 | 487,744 |
| Sprint Telecommunications..... | 397,521 | 59,137 | 264 | 1,321 | 1,321 | 456,922 |
| Scott County..... | 296,985 | 9,351 | 0 | 0 | 0 | 306,336 |
| Hawk-I..... | 285,420 | 0 | 0 | 1,252 | 1,252 | 285,420 |
| SBC Communications..... | 256,874 | 2,985 | 0 | 0 | 0 | 259,859 |
| Cedar Falls Community Schools..... | 254,152 | 5,513 | 0 | 0 | 0 | 259,665 |
| The Kroger Co..... | 214,125 | 15,170 | 11,841 | 17,301 | 17,301 | 241,136 |
| | | | | | | |
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| 0299997 Group subscriber subtotal | 8,792,459 | 1,803,208 | 1,150,891 | 1,349,639 | 1,349,639 | 11,746,558 |
| 0299998 Premiums due and unpaid not individually listed | 1,851,691 | 680,296 | 139,432 | 772,748 | 758,096 | 2,686,070 |
| 0299999 Total group | 10,644,150 | 2,483,504 | 1,290,323 | 2,122,387 | 2,107,736 | 14,432,628 |
| 0399999 Premiums due and unpaid from Medicare entities | 43,796 | 0 | 0 | 0 | 0 | 43,796 |
| 0499999 Premiums due and unpaid from Medicaid entities | 0 | 0 | 0 | 0 | 0 | 0 |
| 0599999 Accident and health premiums due and unpaid (Page 2, Line 12) | 10,687,946 | 2,483,504 | 1,290,323 | 2,122,387 | 2,107,736 | 14,476,424 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT 3 - HEALTH CARE RECEIVABLES

[illegible]

EXHIBIT 4 – CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

| 1 Name of Affiliate | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 Over 90 Days | 6 Nonadmitted | Admitted | |
|----------------------------------|------------------|-------------------|-------------------|-------------------|------------------|--------------|------------------|
| | | | | | | 7 Current | 8 Non-Current |
| Individually Listed Receivables: | | | | | | | |
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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

[illegible]

EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

| Description | 1 | 2 | 3 | 4 | 5 | 6 |
|--|------|--------------|--------------------------|------------------------------|---------------------|---------------------|
| | Cost | Improvements | Accumulated Depreciation | Book Value Less Encumbrances | Assets Not Admitted | Net Admitted Assets |
| 1. Administrative furniture and equipment | NONE | | | | | |
| 2. Medical furniture, equipment and fixtures | | | | | | |
| 3. Pharmaceuticals and surgical supplies | | | | | | |
| 4. Durable medical equipment | | | | | | |
| 5. Other property and equipment | | | | | | |
| 6. Total | 0 | 0 | 0 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE ANNUAL STATEMENT DECEMBER 31, 2004

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business - John Deere Health Plan, Inc. (the "Plan") is a wholly-owned subsidiary of John Deere Health Care, Inc. ("JDHC"), a wholly-owned subsidiary of Deere & Company. Effective June 30, 1999, the Plan changed its name from Heritage National Healthplan, Inc. to John Deere Health Plan, Inc. The Plan was incorporated on August 5, 1985 as a Health Maintenance Organization ("HMO"). Operations commenced in July 1986. The Plan was certified as an HMO by the Department of Insurance of the State of Illinois in 1985, by the Iowa Department of Commerce-Division of Insurance in 1986, by the State of Tennessee Department of Commerce and Insurance and by the Commonwealth of Virginia Bureau of Insurance in 1996. The Plan has contracted with physician associations ("Associations"), hospitals and other health care provider organizations to deliver health care services for all enrollees.

The Plan was designated as a Competitive Medical Plan provider by the Department of Health and Human Service Centers for Medicare & Medicaid Services, Department of Health and Human Services ("CMS") in October 1987. On January 1, 1991, the Plan was designated as a Health Care Prepayment Plan ("HCPP"). On January 1, 1999, the Plan was again designated as a Competitive Medical Plan. Under both contracts with CMS, the Plan has elected to be reimbursed for providing health care to Medicare qualified HMO enrollees on a reasonable cost basis. This method of reimbursement allows the Plan to recover from CMS reasonable health care costs of providing basic Title XVIII Medicare benefits to Medicare enrollees. Supplemental benefits available to Medicare qualified HMO enrollees are provided in return for a supplemental premium collected from employer groups or Medicare eligible individuals. See additional discussion at Note 7.

The Plan participates as a managed care organization under the TennCare program. TennCare is a project authorized through a conditional waiver by CMS that replaced the State of Tennessee's Medicaid program on January 1, 1994. Effective July 1, 2002, the State of Tennessee amended its contract with the Plan for an eighteen month stabilization period and through subsequent amendments was extended through December 31, 2005. Since July 1, 2002, under this agreement, the TennCare program operates under an Administration Services Only ("ASO") arrangement. See additional discussion in Note 7.

The Plan also participated in the Iowa Medicaid program providing services through an organized delivery system of contracted physicians, hospitals, and ancillary providers. Effective June 30, 2004, the Plan exited the Iowa Medicaid program. See additional discussion at Note 7.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Recently, federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and

NOTES TO FINANCIAL STATEMENTS

collected revenues. Management believes that the Plan is in substantial compliance with current laws and regulations.

Significant Accounting Policies

The Plan prepares its financial statements - statutory basis in conformity with accounting practices prescribed or permitted by the Insurance Department of the State of Illinois ("statutory basis"). Effective January 1, 2001, the Insurance Department of the State of Illinois required that insurance companies domiciled in the State of Illinois prepare their financial statements in accordance with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual (the "Manual" or "SSAP"), which differ in certain respects from accounting principles generally accepted in the United States of America ("GAAP"). Major differences between GAAP and statutory basis practices include the reporting of investments in accordance with Statement of Financial Accounting Standards No. 115 under GAAP and assets that are non-admitted for statutory purposes.

Use of Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant accounts subject to change in the near term include claims unpaid, provider risk sharing arrangements, and premium deficiency reserves.

Claims unpaid reflect management's best current estimate of the cost of ultimate resolution of those claims incurred but not reported and/or paid as of the balance sheet date. However, additional facts and circumstances may develop which would affect the precision of the estimate of costs. Those facts and circumstances include, among other things, the ultimate extent and cost of resolving those claims, the resulting impact on risk sharing arrangements, and the amount of insurance recoveries.

Investments - Investments are carried at values prescribed by NAIC. Short-term investments are carried at cost or amortized cost. Bonds, including collateralized mortgage obligations and other structured securities, are carried at amortized cost using the scientific amortization method. Common stocks are carried at the NAIC market value. Loan-backed securities are carried at amortized cost using a retrospective adjustment method.

Aggregate Write-Ins - Certain amounts are required under statutory basis practices to be reported as aggregate write-ins. Included in the following captions are:

- **For other liabilities** - Payables for cost contracts and state income taxes payable.
- **For other than special surplus funds** - State of Illinois mandatory contingency reserve of 2% of capitated revenue from provider risk arrangements, up to a maximum of \$1,500,000.
- **For other expenses** - Fines and penalties.

Revenues - Premium revenues are earned ratably over the terms of the contracts. Premiums billed and collected in advance are recorded as unearned premiums.

Medical and Hospital Expenses - Health care costs are accrued as services are rendered and include estimates for incurred but not reported claims.

NOTES TO FINANCIAL STATEMENTS

Premium Deficiency Reserves - The Plan actuarially calculates and determines the need for a premium deficiency reserve based on contracts with remaining effective periods beyond December. The contracts are analyzed including remaining contractual premium compared to expected administrative costs, trended medical costs, investment income, and incentive pool and withhold adjustments. The analysis is done using large group business combined, small group business combined, Medicare + Choice alone and Iowa Medicaid and Hawk-I combined. No premium deficiency reserve was necessary as of December 31, 2004 and 2003.

Reclassifications – Certain 2003 amounts have been reclassified to conform with 2004 presentation.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

None.

3. BUSINESS COMBINATIONS

None.

4. DISCONTINUED OPERATIONS

None.

5. INVESTMENTS

The Plan fully invests all available cash on a daily basis in short-term investments. Short-term admitted investment balances at December 31, 2004 and 2003 were \$16,164,291 and \$17,210,212, respectively. There were no securities exceeding the authorized investment threshold at December 31, 2004 and 2003.

At December 31, 2004 and 2003, long-term investments are summarized as follows:

| | 2004 | 2003 |
|--|----------------------|----------------------|
| Long-term investments: | | |
| Corporate Debt Securities | \$ 73,677,119 | \$ 68,732,108 |
| U.S. Government Agency and Debt Securities | 116,718,143 | 92,050,427 |
| Equity Securities | | 3,235,236 |
| | <u>\$190,395,262</u> | <u>\$164,017,771</u> |

NAIC market values for long-term investments with a fixed term and rate under NAIC guidelines as of December 31, 2004 and 2003 were \$192,599,298 and \$162,856,304, respectively.

At December 31, 2004 and 2003, certain long-term investments totaling \$13,950,000 were held on deposit with trustees as required by Illinois, Tennessee, and Virginia insurance regulations.

Mortgage Loans—Not applicable.

Debt Restructuring-- Not applicable.

NOTES TO FINANCIAL STATEMENTS

Reverse Mortgages—Not applicable.

Loan-Backed Securities

Loan-Backed Securities – Loan-backed securities are carried at an amortized cost basis and are included in Bonds in the Statements of Admitted Assets, Liabilities, Capital and Surplus – Statutory Basis. As of December 31, 2004 and 2003, the Plan owned five and seven loan-backed securities, respectively, that were purchased prior to January 1, 1994 with amortized values of \$539,923 and \$915,280, respectively. Prepayment assumptions on loan-backed securities are sourced from the Bloomberg twelve-month PSA. The Plan uses the BondEdge pricing service as the market value source.

Repurchase Agreements—Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

None.

7. INVESTMENT INCOME

The plan had no nonadmitted investment income due and accrued at December 31, 2004 and 2003.

8. DERIVATIVE INSTRUMENTS

None.

9. INCOME TAXES

Deere & Company and certain subsidiaries, including the Plan, file a consolidated federal income tax return. Deere & Company has a tax allocation agreement, which provides that each subsidiary of the consolidated group pay a current tax liability to, or receive a tax refund from, Deere & Company, computed as if the subsidiary had filed a separate return at the statutory rates. Amounts provided for Federal income tax expense were \$3,073,665 and \$1,014,161 for the years ended December 31, 2004 and 2003, respectively. State income tax expense (benefit), which is included in general administrative expenses was \$68,372 and \$(3,846) for the years ended December 31, 2004 and 2003, respectively. The effective Federal income tax rate was equal to 35 percent and 33 percent for the years ended December 31, 2004 and 2003, respectively.

The net deferred tax assets in 2004 and 2003 were \$1,608,634 and \$1,734,984, respectively, and were considered non-admitted assets in both years for statutory basis financial statement purposes. The Plan had no net deferred tax liabilities in either 2004 or 2003. Activity for the net deferred tax assets is summarized as follows:

NOTES TO FINANCIAL STATEMENTS

| | 2004 | 2003 |
|--------------------------------|--------------------|---------------------|
| Beginning balance at January 1 | \$1,734,984 | \$ 1,468,211 |
| Change in deferral due to: | | |
| Claims unpaid | 65,479 | 49,284 |
| Investment valuations | (334,551) | (205,526) |
| Unearned premiums | 217,000 | 210,000 |
| Other allocated balances | (74,278) | 213,015 |
| Ending balance at December 31 | <u>\$1,608,634</u> | <u>\$ 1,734,984</u> |

10. RELATED PARTIES

Administrative services including claims processing, broker fees, marketing, quality assurance, financial, accounting, insurance, legal, and data processing, are provided to the Plan by JDHC. Under the terms of agreements between the Plan and JDHC, and approved by the Department of Insurance of the State of Illinois, JDHC charged the Plan for such services based on a per member per month fee for each line of business in 2004 and a percentage of premium for each line of business in 2003. Administrative expenses charged to the Plan by JDHC for the years ended December 31, 2004 and 2003 were \$80,371,092 and \$89,693,080, respectively, and are reported as general administrative expenses. The change in the methodology to determine the charge for such expenses to the Plan by JDHC in 2004 resulted in a reduction in such expenses by \$18,000,000 (\$11,700,000 net of tax) as compared to amounts computed under the prior methodology.

The Plan has two separate \$10,000,000 borrowing agreements available from Deere & Company and JDHC, respectively. The facilities bear interest at one-half percent above the 30-day commercial paper rate. The Plan had no advances under the agreements during the years ended December 31, 2004 and 2003.

The Plan does not maintain a daily balance within its depository bank account. Rather, all available cash is invested in short-term investments. The daily net cash activity flows through the Plan's depository bank account zero-balancing to a Deere & Company account with a daily entry through an affiliated receivable/payable account. The affiliated receivable/payable account is settled by the Plan on a monthly basis.

There was a \$14,996,923 and \$1,791,161 due to affiliate balance as of December 31, 2004 and 2003, respectively. Amounts due to affiliates as of December 31, 2004 and 2003 represent amounts due to JDHC and Deere & Company, arising from the above transactions and centralized cash management activities.

11. DEBT

None.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

None.

NOTES TO FINANCIAL STATEMENTS

13. CAPITAL AND SURPLUS

Capital stock consists of common stock at stated value with no par value and no stated dividend rate. One thousand shares are authorized; ten shares are issued and outstanding. The Plan may make an ordinary dividend payment to its stockholder in an amount not to exceed the greater of ten percent of the Plan's capital and surplus or the Plan's net income for the previous year. On March 21, 2003, the Plan paid an ordinary dividend of \$6,400,000 to its stockholder, JDHC. No dividend was paid in 2004. When considering a dividend in 2005, the maximum for an ordinary dividend is ten percent of the Plan's capital and surplus or \$9,546,438. On July 20, 2004, the Plan received a capital contribution of \$15,000,000 from its parent, JDHC, which is included in gross paid-in and contributed surplus. Unassigned surplus was increased (decreased) by the change in unrealized capital gains and losses of \$(8,364) and \$381,692 as of December 31, 2004 and 2003, respectively, and the change in nonadmitted asset values of \$1,544,381 and \$(2,323,016) as of December 31, 2004 and 2003, respectively. At December 31, 2003, the aggregate unrealized gains (losses) were \$8,364. There were no aggregate unrealized gains (losses) at December 31, 2004. At December 31, 2004 and 2003, nonadmitted assets were \$4,764,427 and \$6,308,808, respectively. The Plan is required to provide a contingency reserve based on 2% of the net capitation revenue from risk contracts limited to \$1,500,000. The Plan's accumulated reserve reached \$1,500,000 during 1989 and such reserve has been recorded as a part of capital and surplus. Additionally, there are minimum capital and surplus requirements relating to risk based capital of \$50,588,838 and \$43,433,022 and to providing point of service products of \$75,883,257 and \$65,149,533 at December 31, 2004 and 2003, respectively. The actual capital and surplus as of December 31, 2004 and 2003 was \$95,464,380 and \$73,529,914, respectively.

14. COMMITMENTS, CONTINGENCIES AND LITIGATION

Contingent Commitments—Not applicable.

Assessments- In 2003 and 2002, the Plan received notification of the insolvency of MedCare HMO. It is possible that the insolvency will result in a guaranty fund assessment against the company of \$566,961 that has been charged to operations.

Contingencies—None.

Litigation

A lawsuit against the Plan with an amount in dispute of approximately \$4,000,000 went to trial in October 2003. The State of Iowa sued certain contractors who provided services for the State's Medicaid program over alleged errors which allegedly resulted in overpayments to the Plan. Those contractors filed a cross-petition against the Plan. The contractors settled with State of Iowa and one sought to recoup the bulk of the settlement amount from the Plan. The claim, in equity, was premised on the theory that the Plan was unjustly enriched by the alleged overpayments from the State resulting from the contractor's alleged error. The matter was tried

NOTES TO FINANCIAL STATEMENTS

in September 2003 and a judgment in favor of the contractor and against the Plan was entered on March 1, 2004. The Plan opted to settle for reduced damages rather than appeal. Final settlement of \$3,900,000 was paid to the contractor on June 24, 2004 and was recorded as a reduction in premiums on the Statement of Revenues and Expenses – Statutory Basis. Additionally, in the normal course of business, the Plan, from time to time, may become involved in litigation incidental to the business. The Plan believes that it has substantial defenses and intends to defend such actions vigorously. Although it is not possible to predict the outcome of any unresolved legal matters, the Plan does not believe that such matters will have a material adverse effect on its financial position or results of operations.

15. LEASES

None.

16. OFF-BALANCE SHEET RISK

None.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES

None.

18. ASO, ASC, MEDICARE, AND MEDICAID

Administration Services Only (ASO)— TennCare - The Plan participates as a contracted managed care organization (“MCO”) in the TennCare program. TennCare is a project authorized through a conditional waiver by CMS that replaced the State of Tennessee’s Medicaid program on January 1, 1994. Uninsured individuals and Medicaid eligible individuals who enroll in the TennCare program receive prepaid health care through participating MCO’s. The Plan received \$12,807,539 and \$11,197,276 in administrative service revenue in 2004 and 2003, respectively, under this arrangement, which is recognized as a reduction of general administrative expenses. Total membership at December 31, 2004 and 2003 under the ASO arrangement is 82,980 and 80,276, respectively. There was a net loss of \$42,000 and \$7,000 from the ASO arrangement in 2004 and 2003, respectively. The claim payment volume for 2004 and 2003 under the ASO arrangement totaled \$155,441,491 and \$149,326,884, respectively.

Administration Service Contracts (ASC)—None.

Medicare

On October 1, 1987, the Plan began operations with the CMS to provide part B Medicare services under a Competitive Medical Plan (“CMP”) cost arrangement. In 1991, the Plan replaced the CMP cost arrangement with a Health Care Prepayment Plan (“HCPP”) arrangement. In 1999, the Plan converted the HCPP arrangement to a CMP cost arrangement.

NOTES TO FINANCIAL STATEMENTS

For 1999 and 1998, the Plan paid to JDHC an amount approximating estimated actual costs to process claims and administer the Medicare Program. Revenues are based on a budgeted amount reimbursed monthly by CMS and then adjusted to actual based on a year-end cost report. CMS has the option to audit the cost reports filed by the Plan and thus adjustments to recorded amounts may occur based on these audits. All cost reports for 1998 and prior have been settled with CMS.

NOTES TO FINANCIAL STATEMENTS

The Plan operated under a Medicare Advantage contract for a thirty-one and twenty-nine county service area in Tennessee and Virginia in 2004 and 2003, respectively. Under the contract, CMS makes a single monthly capitation payment to the Plan for each of its enrollees. The Plan provides services through an organized delivery system of contracted physicians, hospitals, and ancillary providers.

Medicare premium revenue recognized for the years ended December 31, 2004 and 2003, was \$168,170,539 and \$140,217,623, respectively.

Medicaid

Iowa Medicaid - The Plan accepted a capitated premium to provide medical care for Iowa Medicaid eligible enrollees. Revenues received from Iowa Medicaid were \$5,536,642 and \$43,266,012 for 2004 and 2003, respectively.

On July 1, 2003, the Plan provided termination notice effective September 1, 2003 to the State of Iowa for twenty counties due to poor financial performance on coverage provided for those areas. As of December 31, 2003, the Plan remained in six Iowa counties. On April 16, 2004, the Plan provided termination notice effective July 1, 2004 for the remaining six counties. On July 1, 2004, the contract was terminated.

19. MANAGING GENERAL AGENTS

None.

20. SEPTEMBER 11 EVENTS

None.

21. OTHER ITEMS

Extraordinary Items—None.

Troubled Debt Restructuring (Debtors)—None.

22. SUBSEQUENT EVENTS

None.

23. REINSURANCE

Ceded Reinsurance Report – Section 1- General Interrogatories- 1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Response: **NO**

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Response: **NO**

NOTES TO FINANCIAL STATEMENTS

Section 2- 1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit? Response: **NO**

Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Response: **NO** Section 3- 1. What is the estimated amount of the aggregate reduction in surplus (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of payment or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Response: **NONE**

2. Have any new agreements been executed or existing agreements amended since January 1, 2004 to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Response: **NO**

Uncollectible Reinsurance- None.

Communication of Ceded Reinsurance- None.

Other Disclosures

The Plan carried \$1,000,000 reinsurance coverage in excess of an annual deductible of \$500,000 per person with Munich American for commercial insured members from January 1 through December 31, 2004. For Iowa Medicaid, the Plan carried \$1,000,000 reinsurance coverage in excess of an annual deductible of \$250,000 per person for July 1, 2003 through June 30, 2004 and \$360,000 per person for July 1, 2004 through August 30, 2004. For Medicare Advantage enrollees, the Plan's current policy with Allianz Life carries \$1,000,000 reinsurance coverage in excess of an annual deductible of \$300,000 per person for the period of January 1, 2003 through December 31, 2004. For Illinois Point-of-Service, the Plan's current policy with Munich American carries \$1,000,000 reinsurance coverage in excess of an annual deductible of \$100,000 per person for out of network and \$500,000 per person for in network for 2004 and excess of an annual deductible of \$100,000 per person for 2003.

Gross reinsurance expenses, included within premium revenues, for the years ended December 31, 2004 and 2003 were \$598,673 and \$875,296, respectively.

Reinsurance recoveries, which are recorded as net reinsurance recoveries, for the years ended December 31, 2004 and 2003 were \$369,271 and \$641,390, respectively. There are reinsurance receivables of \$177,317 and \$293,026 as of December 31, 2004 and 2003, respectively. There were no reinsurance payables as of December 31, 2004 and 2003.

24. RETROSPECTIVELY RATED CONTRACTS

None.

NOTES TO FINANCIAL STATEMENTS

25. CLAIMS UNPAID

Unpaid claims liability is developed using actuarial methods. History of actual claim payments is plotted on a matrix with incurred periods along the X-axis and payment months along the Y-axis. Estimated monthly claim behavior is developed from this data. Enrollment for each month is monitored to determine potential impact on claims incurred. Additional relevant information is evaluated to support unpaid claim liability calculations such as the number of claim opportunity days each month, the number of claim processing days each month, claim processing production statistics, claim volume received statistics, significant claims known, reinsurance, coordinated benefits, subrogation and other recoveries, implementation of new health care cost management programs, and any other information that may arise.

Using the above data, the current period estimate is developed. The expense per member per month is tested against historical trends and additional relevant information. Prior period unpaid claims estimates are evaluated using the lagged claim data. The liability has not been calculated using any special consideration for toxic waste cleanup, asbestos-related illnesses or other environmental remediation exposures as management does not believe that any significant exposure exists. An external actuary also certifies the Plan's reserves at December 31 of each year.

Unpaid claims liability balances as of December 31, 2004 and 2003 were \$93,091,504 and \$93,315,097, respectively. Activity in the liability for unpaid claims is summarized as follows.

| | 2004 | 2003 |
|----------------------------------|---------------|---------------|
| Claims unpaid | \$ 92,215,097 | \$ 82,425,277 |
| Accrued medical incentive pool | 255,210 | 3,088,875 |
| Total at January 1 | 92,470,307 | 85,514,152 |
| Plus incurred claims related to: | | |
| Current year | 643,471,876 | 563,253,991 |
| Prior years | 2,188,729 | (6,097,913) |
| Total incurred claims | 645,660,605 | 557,156,078 |
| Less paid claims related to: | | |
| Current year | 551,171,646 | 472,869,568 |
| Prior years | 94,659,037 | 77,330,355 |
| Total paid claims | 645,830,683 | 550,199,923 |
| Claims unpaid | 91,962,504 | 92,215,097 |
| Accrued medical incentive pool | 337,725 | 255,210 |
| Total at December 31 | \$ 92,300,229 | \$ 92,470,307 |

Total incurred claims above include out-of-period adjustments relating to changes in estimates for claims unpaid and provider risk sharing arrangements.

The majority of amounts withheld relating to provider risk sharing arrangements are accounted for in claims unpaid on the Statements of Admitted Assets, Liabilities, Capital and Surplus – Statutory Basis. The remaining components of the provider risk sharing arrangements are in the accrued medical incentive pool and health care receivables. The impact of provider risk sharing arrangements is reflected as incentive pool and withhold adjustments in the Statements

NOTES TO FINANCIAL STATEMENTS

of Revenue and Expenses – Statutory Basis, and is included in current year incurred claims above.

NOTES TO FINANCIAL STATEMENTS

The liability for claims unpaid at December 31, 2003 exceeded actual claims paid in 2004 related to prior years by approximately \$1,600,000. This favorable result was reduced by provider risk sharing adjustments relating to years 2003 and prior of approximately \$3,800,000. Such risk sharing adjustments are included in current year incurred claims above.

The liability for claims unpaid at December 31, 2002 exceeded actual claims paid in 2003 related to prior years by approximately \$6,600,000. This favorable result was reduced by provider risk sharing adjustments relating to years 2002 and prior of approximately \$525,715.

26. INTERCOMPANY POOLING ARRANGEMENTS

None.

27. STRUCTURED SETTLEMENTS

Not applicable.

28. HEALTHCARE RECEIVABLES

The Plan does not have Pharmacy Rebate Receivables on the balance sheet.

The risk sharing receivables were nonadmitted.

29. PARTICIPATING POLICIES

None.

30. PREMIUM DEFICIENCY RESERVES

The Plan actuarially calculates and determines the need for a premium deficiency reserve based on contracts with remaining effective periods at December. The contracts are analyzed including remaining contractual premium compared to expected trended medical costs, expected administrative costs, investment income, and incentive pool and withhold adjustments. The analysis is done using large group business combined, small group business combined, Medicare + Choice alone, and Iowa Medicaid and Hawk-I combined. No premium deficiency reserve was necessary as of December 31, 2004 and 2003.

31. ANTICIPATED SALVAGE AND SUBROGATION

None.

SUMMARY INVESTMENT SCHEDULE

| Investment Categories | Gross Investment Holdings | | Admitted Assets as Reported in the Annual Statement | |
|---|------------------------------|-----------------|---|-----------------|
| | 1 Amount | 2 Percentage | 3 Amount | 4 Percentage |
| 1. Bonds: | | | | |
| 1.1 U.S. Treasury securities | 38,587,678 | 18.681 | 38,587,678 | 18.681 |
| 1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities): | | | | |
| 1.21 Issued by U.S. government agencies | | 0.000 | | 0.000 |
| 1.22 Issued by U.S. government sponsored agencies | 26,149,883 | 12.660 | 26,149,883 | 12.660 |
| 1.3 Foreign government (including Canada, excluding mortgaged-backed securities) | | 0.000 | | 0.000 |
| 1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.: | | | | |
| 1.41 States, territories and possessions general obligations | | 0.000 | | 0.000 |
| 1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations | | 0.000 | | 0.000 |
| 1.43 Revenue and assessment obligations | | 0.000 | | 0.000 |
| 1.44 Industrial development and similar obligations | | 0.000 | | 0.000 |
| 1.5 Mortgage-backed securities (includes residential and commercial MBS): | | | | |
| 1.51 Pass-through securities: | | | | |
| 1.511 Issued or guaranteed by GNMA | 19,414 | 0.009 | 19,414 | 0.009 |
| 1.512 Issued or guaranteed by FNMA and FHLMC | | 0.000 | | 0.000 |
| 1.513 All other | | 0.000 | | 0.000 |
| 1.52 CMOs and REMICs: | | | | |
| 1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA | 51,961,168 | 25.156 | 51,961,168 | 25.156 |
| 1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 | | 0.000 | | 0.000 |
| 1.523 All other | | 0.000 | | 0.000 |
| 2. Other debt and other fixed income securities (excluding short-term): | | | | |
| 2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO) | 73,677,120 | 35.669 | 73,677,120 | 35.669 |
| 2.2 Unaffiliated foreign securities | | 0.000 | | 0.000 |
| 2.3 Affiliated securities | | 0.000 | | 0.000 |
| 3. Equity interests: | | | | |
| 3.1 Investments in mutual funds | | 0.000 | | 0.000 |
| 3.2 Preferred stocks: | | | | |
| 3.21 Affiliated | | 0.000 | | 0.000 |
| 3.22 Unaffiliated | | 0.000 | | 0.000 |
| 3.3 Publicly traded equity securities (excluding preferred stocks): | | | | |
| 3.31 Affiliated | | 0.000 | | 0.000 |
| 3.32 Unaffiliated | | 0.000 | | 0.000 |
| 3.4 Other equity securities: | | | | |
| 3.41 Affiliated | | 0.000 | | 0.000 |
| 3.42 Unaffiliated | | 0.000 | | 0.000 |
| 3.5 Other equity interests including tangible personal property under lease: | | | | |
| 3.51 Affiliated | | 0.000 | | 0.000 |
| 3.52 Unaffiliated | | 0.000 | | 0.000 |
| 4. Mortgage loans: | | | | |
| 4.1 Construction and land development | | 0.000 | | 0.000 |
| 4.2 Agricultural | | 0.000 | | 0.000 |
| 4.3 Single family residential properties | | 0.000 | | 0.000 |
| 4.4 Multifamily residential properties | | 0.000 | | 0.000 |
| 4.5 Commercial loans | | 0.000 | | 0.000 |
| 4.6 Mezzanine real estate loans | | 0.000 | | 0.000 |
| 5. Real estate investments: | | | | |
| 5.1 Property occupied by the company | | 0.000 | 0 | 0.000 |
| 5.2 Property held for the production of income (includes \$of property acquired in satisfaction of debt) | | 0.000 | 0 | 0.000 |
| 5.3 Property held for sale (\$including property acquired in satisfaction of debt) | | 0.000 | 0 | 0.000 |
| 6. Policy loans | | 0.000 | | 0.000 |
| 7. Receivables for securities | | 0.000 | 0 | 0.000 |
| 8. Cash, cash equivalents and short-term investments | 16,164,291 | 7.825 | 16,164,291 | 7.825 |
| 9. Other invested assets | | 0.000 | 0 | 0.000 |
| 10. Total invested assets | 206,559,554 | 100.000 | 206,559,554 | 100.000 |

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating?

Illinois
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2002
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2002
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

04/28/2004
- 3.4

By what department or departments? Illinois Department of Insurance
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes [] No [X]

4.12 renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes [] No [X]

4.22 renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]
- 7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

| 1 Nationality | 2 Type of Entity |
|------------------|---------------------|
| | |
| | |
| | |
| | |
| | |

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|----------------|---------------------------|-----|-----|-----|------|-----|
| Affiliate Name | Location (City, State) | FRB | OCC | OTS | FDIC | SEC |
| | | | | | | |

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte & Touche, Chicago, IL
10.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

David O. Thoen, Deloitte & Touche, Minneapolis, MN
11.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 11.1

What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?

Not Applicable
- 11.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 11.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 11.4

If answer to (11.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] NA []

BOARD OF DIRECTORS

12.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [X] No []
13.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [X] No []
14.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person?.

Yes [X] No []

FINANCIAL

- 15.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

15.11 To directors or other officers .. \$0

15.12 To stockholders not officers ... \$0

15.13 Trustees, supreme or grand (Fraternal only) \$0
- 15.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

15.21 To directors or other officers ... \$0

15.22 To stockholders not officers \$0

15.23 Trustees, supreme or grand (Fraternal only) \$0
- 16.1

Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement?

Yes [] No [X]
- 16.2

If yes, state the amount thereof at December 31 of the current year:

16.21 Rented from others \$

16.22 Borrowed from others \$

16.23 Leased from others \$

16.24 Other \$
- Disclose in Notes to Financial the nature of each obligation.
- 17.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes [X] No []
- 17.2

If answer is yes,

17.21 Amount paid as losses or risk adjustment \$0

17.22 Amount paid as expenses \$1,339,482

17.23 Other amounts paid \$0

GENERAL INTERROGATORIES
INVESTMENT

18. List the following capital stock information for the reporting entity:

| Class | 1 Number of Shares Authorized | 2 Number of Shares Outstanding | 3 Par Value Per Share | 4 Redemption Price if Callable | 5 Is Dividend Rate Limited? | | 6 Are Dividends Cumulative? | |
|-----------|-------------------------------------|--------------------------------------|--------------------------|--------------------------------------|-----------------------------------|-----|-----------------------------------|-----|
| | | | | | Yes | No | Yes | No |
| Preferred | | | | | [|] | [|] |
| Common | 1,000 | 10 | | XXX | XXX | XXX | XXX | XXX |

19.1. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [] No [X]

19.2 If no, give full and complete information relating thereto:
Mellon Trust Company of Illinois, Chicago, IL

20.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 16.1) Yes [] No [X]

20.2 If yes, state the amount thereof at December 31 of the current year:

20.21

Loaned to others

\$.....

20.22

Subject to repurchase agreements

\$.....

20.23

Subject to reverse repurchase agreements

\$.....

20.24

Subject to dollar repurchase agreements

\$.....

20.25

Subject to reverse dollar repurchase agreements

\$.....

20.26

Pledged as collateral

\$.....

20.27

Placed under option agreements

\$.....

20.28

Letter stock or other securities restricted as to sale ...

\$.....

20.29

Other

\$.....

20.3 For category (20.28) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |
| | | |
| | | |
| | | |

21.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

21.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA []
If no, attach a description with this statement.

22.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

22.2 If yes, state the amount thereof at December 31 of the current year. \$.....

GENERAL INTERROGATORIES

INVESTMENT

23. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 – General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

23.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

| <div>1</div> <div>Name of Custodian(s)</div> | <div>2</div> <div>Custodian's Address</div> |
|--|---|
| Mellon Trust Company of Illinois..... | Chicago, IL..... |

23.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

| <div>1</div> <div>Name(s)</div> | <div>2</div> <div>Location(s)</div> | <div>2</div> <div>Complete Explanation(s)</div> |
|---------------------------------|-------------------------------------|---|
| | | |
| | | |

23.03 Have there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year? Yes [] No [X]

23.04 If yes, give full and complete information relating thereto:

| <div>1</div> <div>Old Custodian</div> | <div>2</div> <div>New Custodian</div> | <div>3</div> <div>Date of Change</div> | <div>4</div> <div>Reason</div> |
|---------------------------------------|---------------------------------------|--|--------------------------------|
| | | | |
| | | | |

23.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

| <div>1</div> <div>Central Registration Depository Number(s)</div> | <div>2</div> <div>Name</div> | <div>2</div> <div>Address</div> |
|---|------------------------------|---------------------------------|
| | | |
| | | |

24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [] No [X]

24.2 If yes, complete the following schedule:

| <div>1</div> <div>CUSIP #</div> | <div>2</div> <div>Name of Mutual Fund</div> | <div>3</div> <div>Book/Adjusted Carrying Value</div> |
|---------------------------------|---|--|
| | | |
| | | |
| 9999999. TOTAL | | 0 |

24.3 For each mutual fund listed in the table above, complete the following schedule:

| <div>1</div> <div>Name of Mutual Fund (from above table)</div> | <div>2</div> <div>Name of Significant Holding Of the Mutual Fund</div> | <div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div> | <div>4</div> <div>Date of Valuation</div> |
|--|--|--|---|
| | | | |
| | | | |

GENERAL INTERROGATORIES
INVESTMENT

25. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

| | 1 | 2 | 3 |
|----------------------------|-------------------------------|-------------|---|
| | Statement (Admitted) Value | Fair Value | Excess of Statement over Fair Value (-) or Fair Value over Statement (+) |
| 25.1 Bonds..... | 206,559,553 | 208,763,589 | 2,204,036 |
| 25.2 Preferred stocks..... | 0 | 0 | 0 |
| 25.3 Totals | 206,559,553 | 208,763,589 | 2,204,036 |

25.4 Describe the sources or methods utilized in determining fair values:
NAIC price is used when available, otherwise, Bondage is used as the outside source.....

26.1 Have all the filing requirements of the *Purposes and Procedures* manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

26.2 If no, list the exceptions:

OTHER

27.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?.....\$0

27.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |

28.1 Amount of payments for legal expenses, if any?.....\$0

28.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |

29.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$0

29.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2 If yes, indicate premium earned on U. S. business only

\$0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$0

1.31 Reason for excluding

Not Applicable

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance.

\$0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned

\$0

1.62 Total incurred claims

\$0

1.63 Number of covered lives

\$0

All years prior to most current three years:

1.64 Total premium earned

\$0

1.65 Total incurred claims

\$0

1.66 Number of covered lives

\$0

1.7 Group policies:

Most current three years:

1.71 Total premium earned

\$0

1.72 Total incurred claims

\$0

1.73 Number of covered lives

\$0

All years prior to most current three years:

1.74 Total premium earned

\$0

1.75 Total incurred claims

\$0

1.76 Number of covered lives

\$0

2. Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator

\$702,364,963

\$624,187,714

2.2 Premium Denominator

\$725,611,304

\$641,671,083

2.3 Premium Ratio (2.1/2.2)

.....0.968

.....0.973

2.4 Reserve Numerator

\$93,429,228

\$93,570,306

2.5 Reserve Denominator

\$93,429,229

\$93,570,307

2.6 Reserve Ratio (2.4/2.5)

.....1.000

.....1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [X] No []

5.1 Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical

\$500,000

5.32 Medical Only

\$

5.33 Medicare Supplement

\$

5.34 Dental

\$

5.35 Other Limited Benefit Plan

\$

5.36 Other

\$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Subscribers are protected under insolvency arrangements in place between company and reinsurance provisions provided by company's contract with provider networks.

7.1 Does the reporting entity set up its claim liability for provider services on a service data base?

Yes [X] No []

7.2 If no, give details:

8. Provide the following Information regarding participating providers:

8.1 Number of providers at start of reporting year

.....14,308

8.2 Number of providers at end of reporting year

.....16,030

9.1 Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

.....

9.22 Business with rate guarantees over 36 months

.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contract?

Yes [X] No []

10.2 If yes:

10.21 Maximum amount payable bonuses

\$.....280,000

10.22 Amount actually paid for year bonuses

\$.....726,127

10.23 Maximum amount payable withholds

\$.....21,075,737

10.24 Amount actually paid for year withholds

\$.....10,592,897

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes [] No [X]

11.13 An Individual Practice Association (IPA), or,

Yes [] No [X]

11.14 A Mixed Model (combination of above) ?

Yes [] No [X]

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [X] No []

11.3 If yes, show the name of the state requiring such net worth.

Illinois

11.4 If yes, show the amount required.

\$.....25,294,419

11.5 Is this amount included as part of a contingency reserve in stockholders equity?

Yes [] No [X]

11.6 If the amount is calculated, show the calculation.

See Risk Based Capital Calculation

12. List service areas in which reporting entity is licensed to operate:

| 1 |
|---|
| Name of Service Area |
| Illinois: Bureau, Carroll, DeWitt, Fulton, Henry, Jo Daviess, Knox. La Salle, Lee, Livingston, Marshall, McLean, Mercer, Peoria, Putnam, Rock Island, Stark, Tazewell, Warren, Whiteside, Woodford..... |
| Iowa: Appanoose, Benton, Blackhawk, Boone, Bremer, Buchanan, Butler, Calhoun,Carroll, Cedar, Cerro Gordo, Chickasaw, Clarke, Clayton, Clinton, Dallas, Davis, Delaware, Des Moines, Dubuque, Fayette, Floyd, Franklin, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Henry, Howard, Humboldt, Iowa, Jackson, Jasper, Jefferson, Johnson, Jones, Keokuk, Kossuth, Lee, Linn, Louisa, Lucas, Madison, Mahaska, Marion, Marshall, Mitchell, Monroe, Muscatine, Palo Alto, Polk, Poweshiek, Sac, Scott, Story, Tama, Van Buren, Wapello, Warren, Washington, Wayne, Winnebago, Worth, Wright..... |
| Tennessee: Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Claiborne, Cocke, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, Marion, McMinn, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sequatchie, Sevier, Sullivan, Unicoi, Union, Washington..... |
| Virginia Counties: Bedford, Bland, Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd, Franklin, Giles, Grayson, Henry, Lee, Montgomery, Pulaski, Roanoke, Rockbridge, Russell, Scott, Smyth, Tazewell, Washington, Wise, Wythe..... |
| Virginia Cities: Bedford, Bristol, Buena Vista, Galax, Lexington, Martinsville, Norton, Radford, Roanoke, Salem..... |

FIVE-YEAR HISTORICAL DATA

| | 1 2004 | 2 2003 | 3 2002 | 4 2001 | 5 2000 |
|---|-------------|-------------|-------------|-------------|-------------|
| BALANCE SHEET ITEMS (Pages 2 and 3) | | | | | |
| 1. Total admitted assets (Page 2, Line 26) | 218,281,560 | 195,329,382 | 184,819,373 | 188,377,476 | 161,931,745 |
| 2. Total liabilities (Page 3, Line 22) | 122,817,180 | 121,799,468 | 105,269,490 | 114,083,966 | 91,893,082 |
| 3. Statutory surplus | 37,441,000 | 22,441,000 | 22,440,000 | 22,440,000 | 22,440,000 |
| 4. Total capital and surplus (Page 3, Line 30) | 95,464,380 | 73,529,914 | 79,549,883 | 74,293,509 | 70,038,663 |
| INCOME STATEMENT ITEMS (Page 4) | | | | | |
| 5. Total revenues (Line 8) | 725,611,304 | 641,671,083 | 586,398,243 | 572,242,559 | 470,118,152 |
| 6. Total medical and hospital expenses (Line 18) | 645,689,605 | 558,256,079 | 506,133,915 | 494,171,972 | 393,706,162 |
| 7. Claims adjustment expenses (Line 20) | 12,790,575 | 11,797,716 | 13,827,360 | 12,042,335 | 11,937,041 |
| 8. Total administrative expenses (Line 21) | 67,580,517 | 76,752,167 | 65,236,359 | 65,858,059 | 58,075,230 |
| 9. Net underwriting gain (loss) (Line 24) | (449,393) | (5,134,879) | 1,200,609 | 1,961,097 | (2,737,780) |
| 10. Net investment gain (loss) (Line 27) | 9,251,095 | 8,288,677 | 8,946,481 | 9,139,375 | 9,189,869 |
| 11. Total other income (Lines 28 plus 29) | (102,751) | (80,000) | (12,344) | (2,545) | (52,369) |
| 12. Net income (loss) (Line 32) | 5,625,286 | 2,059,637 | 6,495,598 | 11,097,927 | 6,399,720 |
| RISK - BASED CAPITAL ANALYSIS | | | | | |
| 13. Total adjusted capital..... | 95,464,380 | 73,529,914 | 79,549,883 | 74,293,510 | 70,038,663 |
| 14. Authorized control level risk-based capital..... | 25,294,419 | 21,716,511 | 19,863,864 | 18,376,244 | 14,646,612 |
| ENROLLMENT (Exhibit 1) | | | | | |
| 15. Total members at end of period (Column 5, Line 7) | 220,903 | 225,405 | 206,584 | 275,792 | 245,123 |
| 16. Total member months (Column 6, Line 7) | 2,758,495 | 2,762,768 | 2,846,461 | 3,126,928 | 2,740,608 |
| OPERATING PERCENTAGE (Page 4) | | | | | |
| (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0 | | | | | |
| 17. Premiums earned (Lines 2 plus 3) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 18. Total hospital and medical (Line 18) | 89.0 | 87.0 | 86.4 | 86.4 | 85.5 |
| 19. Cost containment expenses | 0 | XXX | XXX | XXX | XXX |
| 20. Other claims adjustment expenses | 1 | 2 | 2 | 2 | 3 |
| 21. Total underwriting deductions (Line 23) | 100.1 | 100.8 | 99.8 | 99.7 | 100.7 |
| 22. Total underwriting gain (loss) (Line 24) | (0.1) | (0.8) | 0.2 | 0.3 | (0.6) |
| UNPAID CLAIMS ANALYSIS | | | | | |
| (U&I Exhibit, Part 2B) | | | | | |
| 23. Total claims incurred for prior years (Line 12, Col. 5) | 100,095,745 | 85,546,983 | 90,268,431 | 67,882,736 | 52,600,456 |
| 24. Estimated liability of unpaid claims – [prior year (Line 12, Col. 6)] | 93,570,306 | 85,514,149 | 95,880,822 | 70,735,097 | 43,975,793 |
| INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES | | | | | |
| 25. Affiliated bonds (Sch. D Summary, Line 25, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 26. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 27. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2) | 0 | 0 | 0 | 0 | 0 |
| 28. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11) | 0 | 0 | 0 | 0 | 0 |
| 29. Affiliated mortgage loans on real estate | 0 | 0 | 0 | 0 | 0 |
| 30. All other affiliated | 0 | 0 | 0 | 0 | 0 |
| 31. Total of above Lines 25 to 30 | 0 | 0 | 0 | 0 | 0 |



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION John Deere Health Plan, Inc. 2. (LOCATION)

| NAIC Group Code | 0219 | BUSINESS IN THE STATE OF Illinois | | | DURING THE YEAR 2004 | | | | | | | NAIC Company Code | | 95378 |
|---|------|-----------------------------------|---------------------------------------|-------------|------------------------|----------------|----------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------|-------|
| | | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| | | | 2 | 3 | | | | | | | | | | |
| | | Total | Individual | Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| Total Members at end of: | | | | | | | | | | | | | | |
| 1. Prior Year | | 37,289 | | 37,283 | | | | | 6 | | | | | |
| 2. First Quarter | | 37,714 | | 37,713 | | | | | 1 | | | | | |
| 3. Second Quarter | | 37,458 | | 37,457 | | | | | 1 | | | | | |
| 4. Third Quarter | | 34,972 | | 34,971 | | | | | 1 | | | | | |
| 5. Current Year | | 33,434 | | 33,433 | | | | | 1 | | | | | |
| 6. Current Year Member Months | | 431,294 | | 431,282 | | | | | 12 | | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | |
| 7. Physician | | 177,874 | | 177,852 | | | | | 22 | | | | | |
| 8. Non-Physician | | 32,719 | | 32,719 | | | | | 0 | | | | | |
| 9. Total | | 210,593 | 0 | 210,571 | 0 | 0 | 0 | 0 | 22 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | | 12,188 | | 12,185 | | | | | 3 | | | | | |
| 11. Number of Inpatient Admissions | | 2,963 | | 2,962 | | | | | 1 | | | | | |
| 12. Health Premiums Written..... | | 101,722,367 | | 101,717,975 | | | | | 2,301 | | | | | 2,091 |
| 13. Life Premiums Direct | | 0 | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written..... | | 0 | | | | | | | | | | | | |
| 15. Health Premiums Earned..... | | 101,722,367 | | 101,717,975 | | | | | 2,301 | | | | | 2,091 |
| 16. Property/Casualty Premiums Earned..... | | 0 | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | | 93,602,731 | | 93,601,008 | | | | | 958 | | | | | 765 |
| 18. Amount Incurred for Provision of Health Care Services | | 93,264,040 | | 93,262,213 | | | | | 957 | | | | | 870 |

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

30.LL



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION John Deere Health Plan, Inc. 2. (LOCATION)

| NAIC Group Code 0219 | | BUSINESS IN THE STATE OF Iowa | | | DURING THE YEAR 2004 | | | | | | | NAIC Company Code 95378 | | |
|---|--|-------------------------------|---------------------------------------|-------------|------------------------|----------------|----------------|--|-------------------------|-----------------------|--------------|-------------------------|-------------------|-----------|
| | | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| | | | 2 | 3 | | | | | | | | | | |
| | | Total | Individual | Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| Total Members at end of: | | | | | | | | | | | | | | |
| 1. Prior Year | | 99,625 | | 88,778 | | | | | 1,087 | 9,760 | | | | |
| 2. First Quarter | | 104,064 | | 92,886 | | | | | 1,061 | 10,117 | | | | |
| 3. Second Quarter | | 105,539 | | 93,927 | | | | | 1,026 | 10,586 | | | | |
| 4. Third Quarter | | 94,013 | | 93,011 | | | | | 1,002 | 0 | | | | |
| 5. Current Year | | 93,687 | | 92,709 | | | | | 978 | 0 | | | | |
| 6. Current Year Member Months | | 1,185,781 | | 1,111,884 | | | | | 12,340 | 61,557 | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | |
| 7. Physician | | 498,933 | | 448,199 | | | | | 14,834 | 35,900 | | | | |
| 8. Non-Physician | | 122,964 | | 115,701 | | | | | 1,744 | 5,519 | | | | |
| 9. Total | | 621,897 | 0 | 563,900 | 0 | 0 | 0 | 0 | 16,578 | 41,419 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | | 37,374 | | 27,344 | | | | | 4,697 | 5,333 | | | | |
| 11. Number of Inpatient Admissions | | 8,743 | | 6,921 | | | | | 442 | 1,380 | | | | |
| 12. Health Premiums Written..... | | 259,508,380 | | 235,740,977 | | | | 13,423,567 | 2,364,645 | 5,536,642 | | | | 2,442,549 |
| 13. Life Premiums Direct | | 0 | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written..... | | 0 | | | | | | | | | | | | |
| 15. Health Premiums Earned..... | | 259,508,380 | | 235,740,977 | | | | 13,423,567 | 2,364,645 | 5,536,642 | | | | 2,442,549 |
| 16. Property/Casualty Premiums Earned..... | | 0 | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | | 228,829,839 | | 198,626,367 | | | | 11,811,619 | 2,073,514 | 14,201,454 | | | | 2,116,885 |
| 18. Amount Incurred for Provision of Health Care Services | | 236,479,774 | | 219,973,103 | | | | 9,413,990 | 1,927,860 | 3,173,447 | | | | 1,991,374 |

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

30.1A



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION John Deere Health Plan, Inc. 2. (LOCATION)

| NAIC Group Code | | 0219 | | BUSINESS IN THE STATE OF Tennessee | | DURING THE YEAR 2004 | | | | | | NAIC Company Code | | 95378 | |
|---|--|-------------|---------------------------------------|------------------------------------|------------------------|----------------------|----------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------|------------|--|
| | | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | |
| | | | 2 | 3 | | | | | | | | | | | |
| | | Total | Individual | Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other | |
| Total Members at end of: | | | | | | | | | | | | | | | |
| 1. Prior Year | | 76,619 | | 59,220 | | | | | 17,399 | | | | | | |
| 2. First Quarter | | 86,547 | | 68,994 | | | | | 17,553 | | | | | | |
| 3. Second Quarter | | 85,275 | | 67,452 | | | | | 17,823 | | | | | | |
| 4. Third Quarter | | 82,936 | | 64,819 | | | | | 18,117 | | | | | | |
| 5. Current Year | | 82,115 | | 63,742 | | | | | 18,373 | | | | | | |
| 6. Current Year Member Months | | 1,008,716 | | 794,213 | | | | | 214,503 | | | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | | |
| 7. Physician | | 602,040 | | 371,715 | | | | | 230,325 | | | | | | |
| 8. Non-Physician | | 68,711 | | 50,095 | | | | | 18,616 | | | | | | |
| 9. Total | | 670,751 | 0 | 421,810 | 0 | 0 | 0 | 0 | 248,941 | 0 | 0 | 0 | 0 | 0 | |
| 10. Hospital Patient Days Incurred | | 64,261 | | 20,708 | | | | | 43,553 | | | | | | |
| 11. Number of Inpatient Admissions | | 11,804 | | 5,315 | | | | | 6,489 | | | | | | |
| 12. Health Premiums Written..... | | 314,647,074 | | 177,825,110 | | | | | 119,740,598 | | | | | 17,081,366 | |
| 13. Life Premiums Direct | | 0 | | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written..... | | 0 | | | | | | | | | | | | | |
| 15. Health Premiums Earned..... | | 314,647,074 | | 177,825,110 | | | | | 119,740,598 | | | | | 17,081,366 | |
| 16. Property/Casualty Premiums Earned..... | | 0 | | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | | 280,513,583 | | 158,201,963 | | | | | 108,578,633 | (622,864) | | | | 14,355,851 | |
| 18. Amount Incurred for Provision of Health Care Services | | 269,065,176 | | 160,785,651 | | | | | 94,374,216 | (652,864) | | | | 14,558,173 | |

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION John Deere Health Plan, Inc. 2. (LOCATION)

| NAIC Group Code | 0219 | BUSINESS IN THE STATE OF Virginia | | | | DURING THE YEAR 2004 | | | | NAIC Company Code | | | 95378 | |
|---|------|-----------------------------------|---------------------------------------|------------|------------------------|----------------------|----------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------|-----------|
| | | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| | | | 2 | 3 | | | | | | | | | | |
| | | Total | Individual | Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| Total Members at end of: | | | | | | | | | | | | | | |
| 1. Prior Year | | 11,872 | | 8,315 | | | | | 3,557 | | | | | |
| 2 First Quarter | | 10,801 | | 7,104 | | | | | 3,697 | | | | | |
| 3 Second Quarter | | 10,941 | | 7,103 | | | | | 3,838 | | | | | |
| 4 Third Quarter | | 11,225 | | 7,301 | | | | | 3,924 | | | | | |
| 5 Current Year | | 11,667 | | 7,644 | | | | | 4,023 | | | | | |
| 6 Current Year Member Months | | 132,704 | | 86,732 | | | | | 45,972 | | | | | |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | | |
| 7. Physician | | 85,331 | | 40,156 | | | | | 45,175 | | | | | |
| 8. Non-Physician | | 11,887 | | 7,157 | | | | | 4,730 | | | | | |
| 9. Total | | 97,218 | 0 | 47,313 | 0 | 0 | 0 | 0 | 49,905 | 0 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | | 13,975 | | 3,394 | | | | | 10,581 | | | | | |
| 11. Number of Inpatient Admissions | | 2,136 | | 688 | | | | | 1,448 | | | | | |
| 12. Health Premiums Written..... | | 50,332,156 | | 21,667,125 | | | | | 24,944,696 | | | | | 3,720,335 |
| 13. Life Premiums Direct | | 0 | | | | | | | | | | | | |
| 14. Property/Casualty Premiums Written..... | | 0 | | | | | | | | | | | | |
| 15. Health Premiums Earned..... | | 50,332,156 | | 21,667,125 | | | | | 24,944,696 | | | | | 3,720,335 |
| 16. Property/Casualty Premiums Earned..... | | 0 | | | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | | 47,179,353 | | 21,497,687 | | | | | 22,403,230 | | | | | 3,278,436 |
| 18. Amount Incurred for Provision of Health Care Services | | 47,249,886 | | 21,164,408 | | | | | 22,699,934 | | | | | 3,385,544 |

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0



ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION John Deere Health Plan, Inc. 2. (LOCATION)

| NAIC Group Code 0219 | | BUSINESS IN THE STATE OF Consolidated | | | DURING THE YEAR 2004 | | | | | | | NAIC Company Code 95378 | |
|---|-------------|---------------------------------------|-------------|------------------------|----------------------|----------------|--|-------------------------|-----------------------|--------------|----------------------|-------------------------|------------|
| | 1 | Comprehensive (Hospital & Medical) | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| | | 2 | 3 | | | | | | | | | | |
| | Total | Individual | Group | Medicare Supplement | Vision Only | Dental Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Stop Loss | Disability Income | Long-Term Care | Other |
| Total Members at end of: | | | | | | | | | | | | | |
| 1. Prior Year | 225,405 | 0 | 193,596 | 0 | 0 | 0 | 0 | 22,049 | 9,760 | 0 | 0 | 0 | 0 |
| 2. First Quarter | 239,126 | 0 | 206,697 | 0 | 0 | 0 | 0 | 22,312 | 10,117 | 0 | 0 | 0 | 0 |
| 3. Second Quarter | 239,213 | 0 | 205,939 | 0 | 0 | 0 | 0 | 22,688 | 10,586 | 0 | 0 | 0 | 0 |
| 4. Third Quarter | 223,146 | 0 | 200,102 | 0 | 0 | 0 | 0 | 23,044 | 0 | 0 | 0 | 0 | 0 |
| 5. Current Year | 220,903 | 0 | 197,528 | 0 | 0 | 0 | 0 | 23,375 | 0 | 0 | 0 | 0 | 0 |
| 6. Current Year Member Months | 2,758,495 | 0 | 2,424,111 | 0 | 0 | 0 | 0 | 272,827 | 61,557 | 0 | 0 | 0 | 0 |
| Total Member Ambulatory Encounters for Year: | | | | | | | | | | | | | |
| 7. Physician | 1,364,178 | 0 | 1,037,922 | 0 | 0 | 0 | 0 | 290,356 | 35,900 | 0 | 0 | 0 | 0 |
| 8. Non-Physician | 236,281 | 0 | 205,672 | 0 | 0 | 0 | 0 | 25,090 | 5,519 | 0 | 0 | 0 | 0 |
| 9. Total | 1,600,459 | 0 | 1,243,594 | 0 | 0 | 0 | 0 | 315,446 | 41,419 | 0 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred | 127,798 | 0 | 63,631 | 0 | 0 | 0 | 0 | 58,834 | 5,333 | 0 | 0 | 0 | 0 |
| 11. Number of Inpatient Admissions | 25,646 | 0 | 15,886 | 0 | 0 | 0 | 0 | 8,380 | 1,380 | 0 | 0 | 0 | 0 |
| 12. Health Premiums Written..... | 726,209,977 | 0 | 536,951,187 | 0 | 0 | 0 | 13,423,567 | 147,052,240 | 5,536,642 | 0 | 0 | 0 | 23,246,341 |
| 13. Life Premiums Direct | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Property/Casualty Premiums Written..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Health Premiums Earned..... | 726,209,977 | 0 | 536,951,187 | 0 | 0 | 0 | 13,423,567 | 147,052,240 | 5,536,642 | 0 | 0 | 0 | 23,246,341 |
| 16. Property/Casualty Premiums Earned..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. Amount Paid for Provision of Health Care Services | 650,125,506 | 0 | 471,927,025 | 0 | 0 | 0 | 11,811,619 | 133,056,335 | 13,578,590 | 0 | 0 | 0 | 19,751,937 |
| 18. Amount Incurred for Provision of Health Care Services | 646,058,876 | 0 | 495,185,375 | 0 | 0 | 0 | 9,413,990 | 119,002,967 | 2,520,583 | 0 | 0 | 0 | 19,935,961 |

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

30.GT

SCHEDULE A - VERIFICATION BETWEEN YEARS

| | |
|---|---|
| 1. Book/adjusted carrying value, December 31, prior year (prior year statement) | 0 |
| 2. Increase (decrease) by adjustment: | |
| 2.1 Totals, Part 1, Column 11 | 0 |
| 2.2 Totals, Part 3, Column 7 | 0 |
| 3. Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9) | 0 |
| 4. Cost of additions and permanent improvements: | |
| 4.1 Totals, Part 1, Column 14 | 0 |
| 4.2 Totals, Part 3, Column 9 | 0 |
| 5. Total profit (loss) on sales, Part 3, Column 14 | 0 |
| 6. Increase (decrease) by foreign exchange adjustment: | |
| 6.1 Totals, Part 1, Column 12 | 0 |
| 6.2 Totals, Part 3, Column 8 | 0 |
| 7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13 | 0 |
| 8. Book/adjusted carrying value at end of current period | 0 |
| 9. Total valuation allowance | |
| 10. Subtotal (Lines 8 plus 9) | 0 |
| 11. Total nonadmitted amounts | |
| 12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) | 0 |

SCHEDULE B - VERIFICATION BETWEEN YEARS

| | |
|--|---|
| 1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year | 0 |
| 2. Amount loaned during year: | |
| 2.1 Actual cost at time of acquisitions | |
| 2.2 Additional investment made after acquisitions | 0 |
| 3. Accrual of discount and mortgage interest points and commitment fees | |
| 4. Increase (decrease) by adjustment | |
| 5. Total profit (loss) on sale | |
| 6. Amounts paid on account or in full during the year | |
| 7. Amortization of premium | |
| 8. Increase (decrease) by foreign exchange adjustment | |
| 9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period | 0 |
| 10. Total valuation allowance | |
| 11. Subtotal (Lines 9 plus 10) | 0 |
| 12. Total nonadmitted amounts | |
| 13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) | 0 |

SCHEDULE BA - VERIFICATION BETWEEN YEARS

| | |
|--|---|
| 1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year | 0 |
| 2. Cost of acquisitions during year: | |
| 2.1 Actual cost at time of acquisitions | |
| 2.2 Additional investment made after acquisitions | 0 |
| 3. Accrual of discount | |
| 4. Increase (decrease) by adjustment | |
| 5. Total profit (loss) on sale | |
| 6. Amounts paid on account or in full during the year | |
| 7. Amortization of premium | |
| 8. Increase (decrease) by foreign exchange adjustment | |
| 9. Book/adjusted carrying value of long-term invested assets at end of current period | 0 |
| 10. Total valuation allowance | |
| 11. Subtotal (Lines 9 plus 10) | 0 |
| 12. Total nonadmitted amounts | |
| 13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) | 0 |

SCHEDULE D - SUMMARY BY COUNTRY

| Long-Term Bonds and Stocks OWNED December 31 of Current Year | | | | | |
|--|-----------------------------------|--------------------------------------|-----------------|------------------|-------------------------|
| Description | | 1 Book/Adjusted Carrying Value | 2 Fair Value | 3 Actual Cost | 4 Par Value of Bonds |
| BONDS Governments (Including all obligations guaranteed by governments) | 1. United States | 62,724,440 | 63,305,133 | 62,753,983 | 62,519,426 |
| | 2. Canada | 0 | 0 | 0 | 0 |
| | 3. Other Countries | 0 | 0 | 0 | 0 |
| | 4. Totals | 62,724,440 | 63,305,133 | 62,753,983 | 62,519,426 |
| States, Territories and Possessions (Direct and guaranteed) | 5. United States | 0 | 0 | 0 | 0 |
| | 6. Canada | 0 | 0 | 0 | 0 |
| | 7. Other Countries | 0 | 0 | 0 | 0 |
| | 8. Totals | 0 | 0 | 0 | 0 |
| Political Subdivisions of States, Territories and Possessions (Direct and guaranteed) | 9. United States | 0 | 0 | 0 | 0 |
| | 10. Canada | 0 | 0 | 0 | 0 |
| | 11. Other Countries | 0 | 0 | 0 | 0 |
| | 12. Totals | 0 | 0 | 0 | 0 |
| Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions | 13. United States | 53,993,703 | 54,185,538 | 54,120,494 | 53,698,791 |
| | 14. Canada | 0 | 0 | 0 | 0 |
| | 15. Other Countries | 0 | 0 | 0 | 0 |
| | 16. Totals | 53,993,703 | 54,185,538 | 54,120,494 | 53,698,791 |
| Public Utilities (unaffiliated) | 17. United States | 3,075,225 | 3,080,180 | 3,086,730 | 3,000,000 |
| | 18. Canada | 0 | 0 | 0 | 0 |
| | 19. Other Countries | 0 | 0 | 0 | 0 |
| | 20. Totals | 3,075,225 | 3,080,180 | 3,086,730 | 3,000,000 |
| Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated) | 21. United States | 70,601,894 | 72,028,448 | 70,943,673 | 69,723,000 |
| | 22. Canada | 0 | 0 | 0 | 0 |
| | 23. Other Countries | 0 | 0 | 0 | 0 |
| | 24. Totals | 70,601,894 | 72,028,448 | 70,943,673 | 69,723,000 |
| Parent, Subsidiaries and Affiliates | 25. Totals | 0 | 0 | 0 | 0 |
| | 26. Total Bonds | 190,395,262 | 192,599,298 | 190,904,879 | 188,941,217 |
| PREFERRED STOCKS Public Utilities (unaffiliated) | 27. United States | 0 | 0 | 0 | |
| | 28. Canada | 0 | 0 | 0 | |
| | 29. Other Countries | 0 | 0 | 0 | |
| | 30. Totals | 0 | 0 | 0 | |
| Banks, Trust and Insurance Companies (unaffiliated) | 31. United States | 0 | 0 | 0 | |
| | 32. Canada | 0 | 0 | 0 | |
| | 33. Other Countries | 0 | 0 | 0 | |
| | 34. Totals | 0 | 0 | 0 | |
| Industrial and Miscellaneous (unaffiliated) | 35. United States | 0 | 0 | 0 | |
| | 36. Canada | 0 | 0 | 0 | |
| | 37. Other Countries | 0 | 0 | 0 | |
| | 38. Totals | 0 | 0 | 0 | |
| Parent, Subsidiaries and Affiliates | 39. Totals | 0 | 0 | 0 | |
| | 40. Total Preferred Stocks | 0 | 0 | 0 | |
| COMMON STOCKS Public Utilities (unaffiliated) | 41. United States | 0 | 0 | 0 | |
| | 42. Canada | 0 | 0 | 0 | |
| | 43. Other Countries | 0 | 0 | 0 | |
| | 44. Totals | 0 | 0 | 0 | |
| Banks, Trust and Insurance Companies (unaffiliated) | 45. United States | 0 | 0 | 0 | |
| | 46. Canada | 0 | 0 | 0 | |
| | 47. Other Countries | 0 | 0 | 0 | |
| | 48. Totals | 0 | 0 | 0 | |
| Industrial and Miscellaneous (unaffiliated) | 49. United States | 0 | 0 | 0 | |
| | 50. Canada | 0 | 0 | 0 | |
| | 51. Other Countries | 0 | 0 | 0 | |
| | 52. Totals | 0 | 0 | 0 | |
| Parent, Subsidiaries and Affiliates | 53. Totals | 0 | 0 | 0 | |
| | 54. Total Common Stocks | 0 | 0 | 0 | |
| | 55. Total Stocks | 0 | 0 | 0 | |
| | 56. Total Bonds and Stocks | 190,395,262 | 192,599,298 | 190,904,879 | |

SCHEDULE D - VERIFICATION BETWEEN YEARS

| | | | |
|---|-------------|--|-------------|
| 1. Book/adjusted carrying value of bonds and stocks, prior year | 164,017,771 | 6. Foreign Exchange Adjustment: | |
| 2. Cost of bonds and stocks acquired, Column 7, Part 3 | 67,227,707 | 6.1 Column 15, Part 1 | 0 |
| 3. Increase (decrease) by adjustment: | | 6.2 Column 19, Part 2, Sec. 1 | 0 |
| 3.1 Columns 12 + 13 - 14, Part 1. | (293,279) | 6.3 Column 16, Part 2, Sec. 2 | 0 |
| 3.2 Column 18, Part 2, Sec. 1 | 0 | 6.4 Column 15, Part 4 | 0 |
| 3.3 Column 15, Part 2, Sec. 2 | 0 | 7. Book/adjusted carrying value at end of current period | 190,395,262 |
| 3.4 Column 14, Part 4 | 26,837 | 8. Total valuation allowance | 0 |
| 4. Total gain (loss), Col. 19, Part 4 | 860,818 | 9. Subtotal (Lines 7 plus 8) | 190,395,262 |
| 5. Deduct consideration for bonds and stocks disposed of | | 10. Total nonadmitted amounts | 0 |
| Column 7, Part 4 | 41,444,592 | 11. Statement value of bonds and stocks, current period | 190,395,262 |

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Col. 6 as a % of Line 10.7 | 8 Total from Col. 6 Prior Year | 9 % From Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed (a) |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|-------------------------------------|
| 1. U.S. Governments, Schedules D & DA (Group 1) | | | | | | | | | | | |
| 1.1 Class 1 | 4,748 | 37,058,036 | 22,661,075 | 3,000,581 | .0 | 62,724,440 | 30.4 | 48,774,371 | 27.4 | 62,724,440 | .0 |
| 1.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 1.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 1.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 1.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 1.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 1.7 Totals | 4,748 | 37,058,036 | 22,661,075 | 3,000,581 | 0 | 62,724,440 | 30.4 | 48,774,371 | 27.4 | 62,724,440 | 0 |
| 2. All Other Governments, Schedules D & DA (Group 2) | | | | | | | | | | | |
| 2.1 Class 1 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 2.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 3. States, Territories and Possessions etc., Guaranteed, Schedules D & DA (Group 3) | | | | | | | | | | | |
| 3.1 Class 1 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 3.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4) | | | | | | | | | | | |
| 4.1 Class 1 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 4.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5) | | | | | | | | | | | |
| 5.1 Class 1 | 9,132,995 | 17,883,518 | 23,505,872 | 3,471,318 | .0 | 53,993,703 | 26.1 | 43,276,056 | 24.3 | 53,993,703 | .0 |
| 5.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 5.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 5.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 5.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 5.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 5.7 Totals | 9,132,995 | 17,883,518 | 23,505,872 | 3,471,318 | 0 | 53,993,703 | 26.1 | 43,276,056 | 24.3 | 53,993,703 | 0 |

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

| Quality Rating per the NAIC Designation | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Col. 6 as a % of Line 10.7 | 8 Total from Col. 6 Prior Year | 9 % From Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed (a) |
|---|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|-------------------------------------|
| 6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6) | | | | | | | | | | | |
| 6.1 Class 1 | 0 | 1,563,128 | 1,011,698 | 0 | 0 | 2,574,826 | 1.2 | 1,513,894 | 0.9 | 2,574,826 | 0 |
| 6.2 Class 2 | 500,398 | 0 | 0 | 0 | 0 | 500,398 | 0.2 | 742,971 | 0.4 | 500,398 | 0 |
| 6.3 Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 6.4 Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 6.5 Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 6.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 6.7 Totals | 500,398 | 1,563,128 | 1,011,698 | 0 | 0 | 3,075,224 | 1.5 | 2,256,866 | 1.3 | 3,075,224 | 0 |
| 7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) | | | | | | | | | | | |
| 7.1 Class 1 | 20,689,200 | 28,339,191 | 30,210,467 | 3,439,960 | 998,227 | 83,677,045 | 40.5 | 80,546,146 | 45.3 | 83,677,045 | 0 |
| 7.2 Class 2 | 2,020,914 | 100,315 | 0 | 967,911 | 0 | 3,089,140 | 1.5 | 3,139,308 | 1.8 | 3,089,140 | 0 |
| 7.3 Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 7.4 Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 7.5 Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 7.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 7.7 Totals | 22,710,114 | 28,439,506 | 30,210,467 | 4,407,871 | 998,227 | 86,766,185 | 42.0 | 83,685,454 | 47.0 | 86,766,185 | 0 |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8) | | | | | | | | | | | |
| 8.1 Class 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.2 Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.3 Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.4 Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.5 Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 8.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9. Parent, Subsidiaries and Affiliates, Schedules D & DA (Group 9) | | | | | | | | | | | |
| 9.1 Class 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.2 Class 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.3 Class 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.4 Class 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.5 Class 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1A - SECTION 1 (continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--|----------------|-----------------------------|-------------------------------|--------------------------------|---------------|--------------------|----------------------------|------------------------------|--------------------------|-----------------------|----------------------------|
| Quality Rating per the NAIC Designation | 1 Year or Less | Over 1 Year Through 5 Years | Over 5 Years Through 10 Years | Over 10 Years Through 20 Years | Over 20 Years | Total Current Year | Col. 6 as a % of Line 10.7 | Total from Col. 6 Prior Year | % From Col. 7 Prior Year | Total Publicly Traded | Total Privately Placed (a) |
| 10. Total Bonds Current Year | | | | | | | | | | | |
| 10.1 Class 1 | 29,826,943 | 84,843,873 | 77,389,112 | 9,911,859 | 998,227 | 202,970,014 | 98.3 | XXX | XXX | 202,970,014 | .0 |
| 10.2 Class 2 | 2,521,312 | 100,315 | .0 | 967,911 | .0 | 3,589,538 | 1.7 | XXX | XXX | 3,589,538 | .0 |
| 10.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | XXX | XXX | .0 | .0 |
| 10.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | XXX | XXX | .0 | .0 |
| 10.5 Class 5 | .0 | .0 | .0 | .0 | .0 | (c) .0 | 0.0 | XXX | XXX | .0 | .0 |
| 10.6 Class 6 | 0 | 0 | 0 | 0 | 0 | (c) 0 | 0.0 | XXX | XXX | 0 | 0 |
| 10.7 Totals | 32,348,255 | 84,944,188 | 77,389,112 | 10,879,770 | 998,227 | (b) 206,559,552 | 100.0 | XXX | XXX | 206,559,552 | .0 |
| 10.8 Line 10.7 as a % of Col. 6 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | 0.0 |
| 11. Total Bonds Prior Year | | | | | | | | | | | |
| 11.1 Class 1 | 36,498,580 | 67,891,717 | 60,212,414 | 9,507,756 | .0 | XXX | XXX | 174,110,467 | 97.8 | 174,110,468 | .0 |
| 11.2 Class 2 | .0 | 2,798,723 | 1,083,556 | .0 | .0 | XXX | XXX | 3,882,279 | 2.2 | 3,882,279 | .0 |
| 11.3 Class 3 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | 0.0 | .0 | .0 |
| 11.4 Class 4 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | .0 | 0.0 | .0 | .0 |
| 11.5 Class 5 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | (c) .0 | 0.0 | .0 | .0 |
| 11.6 Class 6 | 0 | 0 | 0 | 0 | 0 | XXX | XXX | (c) .0 | 0.0 | 0 | 0 |
| 11.7 Totals | 36,498,580 | 70,690,440 | 61,295,971 | 9,507,755 | .0 | XXX | XXX | (b) 177,992,746 | 100.0 | 177,992,746 | .0 |
| 11.8 Line 11.7 as a % of Col. 8 | 19.9 | 40.3 | 34.4 | 5.3 | 0.0 | XXX | XXX | 100.0 | XXX | 100.0 | 0.0 |
| 12. Total Publicly Traded Bonds | | | | | | | | | | | |
| 12.1 Class 1 | 29,826,943 | 84,843,873 | 77,389,112 | 9,911,859 | 998,227 | 202,970,014 | 98.3 | 174,110,468 | 97.8 | 202,970,014 | XXX |
| 12.2 Class 2 | 2,521,313 | 100,315 | .0 | 967,911 | .0 | 3,589,539 | 1.7 | 3,882,279 | 2.2 | 3,589,539 | XXX |
| 12.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | XXX |
| 12.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | XXX |
| 12.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | XXX |
| 12.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.7 Totals | 32,348,256 | 84,944,188 | 77,389,112 | 10,879,770 | 998,227 | 206,559,553 | 100.0 | 177,992,746 | 100.0 | 206,559,553 | XXX |
| 12.8 Line 12.7 as a % of Col. 6 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 13. Total Privately Placed Bonds | | | | | | | | | | | |
| 13.1 Class 1 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.2 Class 2 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.3 Class 3 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.4 Class 4 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.5 Class 5 | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.6 Class 6 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | XXX | 0 |
| 13.7 Totals | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | XXX | .0 |
| 13.8 Line 13.7 as a % of Col. 6 | .0 | .0 | .0 | .0 | .0 | .0 | XXX | XXX | XXX | XXX | .0 |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |

(a) Includes \$.0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$.0 current year, \$.0 prior year of bonds with Z designations and \$.0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$.0 current year, \$.0 prior year of bonds with 5* designations and \$.0 current year, \$.0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Col. 6 as a % of Line 10.7 | 8 Total from Col 6 Prior Year | 9 % From Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|---|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|-------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 1. U.S. Governments, Schedules D & DA (Group 1) | | | | | | | | | | | |
| 1.1 Issuer Obligations | .0 | 37,050,628 | 22,656,164 | 2,998,235 | .0 | 62,705,027 | 30.4 | 48,732,988 | 27.4 | 62,705,026 | .0 |
| 1.2 Single Class Mortgage-Backed/Asset-Backed Securities | 4,748 | 7,408 | 4,911 | 2,346 | 0 | 19,413 | 0.0 | 41,383 | 0.0 | 19,414 | 0 |
| 1.7 Totals | 4,748 | 37,058,036 | 22,661,075 | 3,000,581 | 0 | 62,724,440 | 30.4 | 48,774,371 | 27.4 | 62,724,440 | 0 |
| 2. All Other Governments, Schedules D & DA (Group 2) | | | | | | | | | | | |
| 2.1 Issuer Obligations | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.2 Single Class Mortgage-Backed/Asset-Backed Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 2.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES | | | | | | | | | | | |
| 2.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 2.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 2.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 3. States, Territories, and Possessions Guaranteed, Schedules D & DA (Group 3) | | | | | | | | | | | |
| 3.1 Issuer Obligations | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.2 Single Class Mortgage-Backed/Asset-Backed Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 3.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES | | | | | | | | | | | |
| 3.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 3.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 3.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 4. Political Subdivisions of States, Territories and Possessions, Guaranteed, Schedules D & DA (Group 4) | | | | | | | | | | | |
| 4.1 Issuer Obligations | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.2 Single Class Mortgage-Backed/Asset-Backed Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 4.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES | | | | | | | | | | | |
| 4.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 4.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 4.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 5. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed, Schedules D & DA (Group 5) | | | | | | | | | | | |
| 5.1 Issuer Obligations | .0 | .0 | .988,436 | 1,044,099 | .0 | 2,032,535 | 1.0 | 3,364,589 | 1.9 | 2,032,535 | .0 |
| 5.2 Single Class Mortgage-Backed/Asset-Backed Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 5.3 Defined | .9,132,995 | 17,883,518 | 22,517,436 | 2,427,219 | .0 | 51,961,168 | 25.2 | 39,911,468 | 22.4 | 51,961,168 | .0 |
| 5.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET- BACKED SECURITIES | | | | | | | | | | | |
| 5.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 5.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 5.7 Totals | 9,132,995 | 17,883,518 | 23,505,872 | 3,471,318 | 0 | 53,993,703 | 26.1 | 43,276,056 | 24.3 | 53,993,703 | 0 |

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Col. 6 as a % of Line 10.7 | 8 Total from Col. 6 Prior Year | 9 % From Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|---|---------------------|-------------------------------------|---------------------------------------|--|--------------------|-------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 6. Public Utilities (Unaffiliated), Schedules D & DA (Group 6) | | | | | | | | | | | |
| 6.1 Issuer Obligations | 500,398 | 1,563,128 | 1,011,698 | .0 | .0 | 3,075,224 | 1.5 | 2,256,865 | 1.3 | 3,075,225 | .0 |
| 6.2 Single Class Mortgage-Backed/Asset-Based Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES | | | | | | | | | | | |
| 6.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 6.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 6.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 6.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 6.7 Totals | 500,398 | 1,563,128 | 1,011,698 | 0 | 0 | 3,075,224 | 1.5 | 2,256,865 | 1.3 | 3,075,225 | 0 |
| 7. Industrial & Miscellaneous (Unaffiliated), Schedules D & DA (Group 7) | | | | | | | | | | | |
| 7.1 Issuer Obligations | 22,710,114 | 28,439,506 | 30,210,467 | 4,407,870 | 998,227 | 86,766,184 | 42.0 | 83,685,454 | 47.0 | 86,766,185 | .0 |
| 7.2 Single Class Mortgage-Backed/Asset-Based Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES | | | | | | | | | | | |
| 7.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 7.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 7.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 7.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 7.7 Totals | 22,710,114 | 28,439,506 | 30,210,467 | 4,407,870 | 998,227 | 86,766,184 | 42.0 | 83,685,454 | 47.0 | 86,766,185 | 0 |
| 8. Credit Tenant Loans, Schedules D & DA (Group 8) | | | | | | | | | | | |
| 8.1 Issuer Obligations | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 8.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9. Parents, Subsidiaries and Affiliates, Schedules D & DA (Group 9) | | | | | | | | | | | |
| 9.1 Issuer Obligations | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 9.2 Single Class Mortgage-Backed/Asset-Based Securities | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE- BACKED SECURITIES | | | | | | | | | | | |
| 9.3 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 9.4 Other | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE- BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 9.5 Defined | .0 | .0 | .0 | .0 | .0 | .0 | 0.0 | .0 | 0.0 | .0 | .0 |
| 9.6 Other | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |
| 9.7 Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1A - SECTION 2 (continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

| Distribution by Type | 1 1 Year or Less | 2 Over 1 Year Through 5 Years | 3 Over 5 Years Through 10 Years | 4 Over 10 Years Through 20 Years | 5 Over 20 Years | 6 Total Current Year | 7 Col. 6 as a % of Line 10.7 | 8 Total From Col. 6 Prior Year | 9 % From Col. 7 Prior Year | 10 Total Publicly Traded | 11 Total Privately Placed |
|--|---------------------|-------------------------------------|---------------------------------------|--|--------------------|----------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------|---------------------------------|
| 10. Total Bonds Current Year | | | | | | | | | | | |
| 10.1 Issuer Obligations | 23,210,512 | 67,053,262 | 54,866,765 | 8,450,204 | 998,227 | 154,578,970 | 74.8 | XXX | XXX | 154,578,971 | .0 |
| 10.2 Single Class Mortgage-Backed/Asset-Backed Securities | 4,748 | 7,408 | 4,911 | 2,346 | .0 | 19,413 | 0.0 | XXX | XXX | 19,414 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 10.3 Defined | 9,132,995 | 17,883,518 | 22,517,436 | 2,427,219 | .0 | 51,961,168 | 25.2 | XXX | XXX | 51,961,168 | .0 |
| 10.4 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | XXX | XXX | 0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 10.5 Defined | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | XXX | XXX | 0 | .0 |
| 10.6 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | XXX | XXX | 0 | .0 |
| 10.7 Totals | 32,348,255 | 84,944,188 | 77,389,112 | 10,879,769 | 998,227 | 206,559,551 | 100.0 | XXX | XXX | 206,559,553 | .0 |
| 10.8 Line 10.7 as a % of Col. 6 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | 0.0 |
| 11. Total Bonds Prior Year | | | | | | | | | | | |
| 11.1 Issuer Obligations | 28,230,186 | 51,743,135 | 48,608,094 | 9,458,482 | .0 | XXX | XXX | 138,039,896 | 77.6 | 138,039,896 | .0 |
| 11.2 Single Class Mortgage-Backed/Asset-Backed Securities | 26,688 | 12,157 | 2,197 | 341 | .0 | XXX | XXX | 41,383 | 0.0 | 41,383 | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 11.3 Defined | 8,241,706 | 18,935,148 | 12,685,679 | 48,934 | .0 | XXX | XXX | 39,911,467 | 22.4 | 39,911,468 | .0 |
| 11.4 Other | 0 | 0 | 0 | 0 | .0 | XXX | XXX | 0 | 0.0 | 0 | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 11.5 Defined | 0 | 0 | 0 | 0 | .0 | XXX | XXX | 0 | 0.0 | 0 | .0 |
| 11.6 Other | 0 | 0 | 0 | 0 | .0 | XXX | XXX | 0 | 0.0 | 0 | .0 |
| 11.7 Totals | 36,498,580 | 70,690,440 | 61,295,970 | 9,507,757 | .0 | XXX | XXX | 177,992,746 | 100.0 | 177,992,747 | .0 |
| 11.8 Line 11.7 as a % of Col. 8 | 19.9 | 40.3 | 34.4 | 5.3 | 0.0 | XXX | XXX | 100.0 | XXX | 100.0 | 0.0 |
| 12. Total Publicly Traded Bonds | | | | | | | | | | | |
| 12.1 Issuer Obligations | 23,210,512 | 67,053,262 | 54,866,765 | 8,450,204 | 998,227 | 154,578,970 | 74.8 | 138,039,896 | 77.6 | 154,578,970 | XXX |
| 12.2 Single Class Mortgage-Backed/Asset-Backed Securities | 4,748 | 7,408 | 4,911 | 2,346 | .0 | 19,413 | 0.0 | 41,383 | 0.0 | 19,413 | XXX |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 12.3 Defined | 9,132,995 | 17,883,518 | 22,517,436 | 2,427,219 | .0 | 51,961,168 | 25.2 | 39,911,468 | 22.4 | 51,961,168 | XXX |
| 12.4 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 12.5 Defined | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.6 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | 0 | XXX |
| 12.7 Totals | 32,348,255 | 84,944,188 | 77,389,112 | 10,879,769 | 998,227 | 206,559,551 | 100.0 | 177,992,746 | 100.0 | 206,559,551 | XXX |
| 12.8 Line 12.7 as a % of Col. 6 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 6, Section 10 | 15.7 | 41.1 | 37.5 | 5.3 | 0.5 | 100.0 | XXX | XXX | XXX | 100.0 | XXX |
| 13. Total Privately Placed Bonds | | | | | | | | | | | |
| 13.1 Issuer Obligations | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| 13.2 Single Class Mortgage-Backed/Asset-Backed Securities | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| MULTI-CLASS RESIDENTIAL MORTGAGE-BACKED SECURITIES | | | | | | | | | | | |
| 13.3 Defined | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| 13.4 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| MULTI-CLASS COMMERCIAL MORTGAGE-BACKED/ASSET-BACKED SECURITIES | | | | | | | | | | | |
| 13.5 Defined | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| 13.6 Other | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| 13.7 Totals | 0 | 0 | 0 | 0 | .0 | 0 | 0.0 | 0 | 0.0 | XXX | .0 |
| 13.8 Line 13.7 as a % of Col. 6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | .0 |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 6, Section 10 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | XXX | XXX | XXX | XXX | 0.0 |

SCHEDULE DA - PART 2

| Verification of SHORT-TERM INVESTMENTS Between Years | | | | | |
|---|-------------|-------------|----------------|---------------------------------------|--|
| | 1 | 2 | 3 | 4 | 5 |
| | Total | Bonds | Mortgage Loans | Other Short-term Investment Assets(a) | Investments in Parent, Subsidiaries and Affiliates |
| 1. Book/adjusted carrying value, prior year | 17,210,212 | 17,210,212 | 0 | 0 | 0 |
| 2. Cost of short-term investments acquired | 121,140,649 | 117,558,125 | | 3,582,524 | |
| 3. Increase (decrease) by adjustment | (1,310) | (1,310) | | | |
| 4. Increase (decrease) by foreign exchange adjustment | 0 | | | | |
| 5. Total profit (loss) on disposal of short-term investments | 0 | | | | |
| 6. Consideration received on disposal of short-term investments | 122,185,260 | 118,602,736 | | 3,582,524 | |
| 7. Book/adjusted carrying value, current year | 16,164,291 | 16,164,291 | 0 | 0 | 0 |
| 8. Total valuation allowance | 0 | | | | |
| 9. Subtotal (Lines 7 plus 8) | 16,164,291 | 16,164,291 | 0 | 0 | 0 |
| 10. Total nonadmitted amounts | 0 | | | | |
| 11. Statement value (Lines 9 minus 10) | 16,164,291 | 16,164,291 | 0 | 0 | 0 |
| 12. Income collected during year | 196,137 | 196,099 | | 38 | |
| 13. Income earned during year | 191,136 | 191,098 | | 38 | |

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - VBY
NONE

Schedule DB - Part B - VBY
NONE

Schedule DB - Part C - VBY
NONE

Schedule DB - Part D - VBY
NONE

Schedule DB - Part E - VBY
NONE

Schedule DB - Part F - Section 1
NONE

Schedule DB - Part F - Section 2
NONE

Schedule S - Part 1 - Section 2
NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE S - PART 2

Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

[illegible]

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Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE S - PART 4

Reinsurance Ceded to Unauthorized Companies

[illegible]

Schedule S-Part 5
Five-Year Exhibit of Reinsurance Ceded Business
(000 Omitted)

| | 1 2004 | 2 2003 | 3 2002 | 4 2001 | 5 2000 |
|--|-----------|-----------|-----------|-----------|-----------|
| A. OPERATIONS ITEMS | | | | | |
| 1. Premiums..... | 499 | 659 | 557 | 2,600 | 1,843 |
| 2. Title XVIII-Medicare..... | 61 | 54 | 72 | 166 | 173 |
| 3. Title XIX-Medicaid..... | 39 | 162 | 208 | 316 | 673 |
| 4. Commissions and reinsurance expense allowance..... | | 0 | 0 | 0 | 0 |
| 5. Total hospital and medical expenses..... | 369 | 641 | 211 | 1,791 | 1,537 |
| B. BALANCE SHEET ITEMS | | | | | |
| 6. Premiums receivable | | 0 | 0 | 0 | 0 |
| 7. Claims payable..... | | 0 | 0 | 0 | 0 |
| 8. Reinsurance recoverable on paid losses..... | 177 | 293 | 0 | 40 | 254 |
| 9. Experience rating refunds due or unpaid..... | | 0 | 0 | 0 | 0 |
| 10. Commissions and reinsurance expense allowances unpaid..... | | 0 | 0 | 0 | 0 |
| 11. Unauthorized reinsurance offset..... | 0 | 0 | 0 | 0 | 0 |
| C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM) | | | | | |
| 12. Funds deposited by and withheld from (F)..... | 0 | 0 | 0 | 0 | 0 |
| 13. Letters of credit (L)..... | 0 | 0 | 0 | 0 | 0 |
| 14. Trust agreements (T)..... | 0 | 0 | 0 | 0 | 0 |
| 15. Other (O) | 0 | 0 | 0 | 0 | 0 |

SCHEDULE S-PART 6
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

| | 1 | 2 | 3 |
|--|-------------------------------|----------------------------|------------------------------|
| | As Reported (net of ceded) | Restatement Adjustments | Restated (gross of ceded) |
| ASSETS (Page 2, Col. 3) | | | |
| 1. Cash and invested assets (Line 10) | 206,559,553 | | 206,559,553 |
| 2. Accident and health premiums due and unpaid (Line 12)..... | 2,174,947 | | 2,174,947 |
| 3. Amounts recoverable from reinsurers (Line 13.1)..... | 177,317 | (177,317) | 0 |
| 4. Net credit for ceded reinsurance..... | XXX | 177,317 | 177,317 |
| 5. All other admitted assets (Balance)..... | 9,369,743 | | 9,369,743 |
| 6. Total assets (Line 26) | 218,281,560 | 0 | 218,281,560 |
| LIABILITIES, CAPITAL AND SURPLUS (Page 3) | | | |
| 7. Claims unpaid (Line 1)..... | 93,091,504 | 0 | 93,091,504 |
| 8. Accrued medical incentive pool and bonus payments (Line 2)..... | 337,725 | | 337,725 |
| 9. Premiums received in advance (Line 8)..... | 7,307,894 | | 7,307,894 |
| 10. Reinsurance in unauthorized companies (Line 18)..... | 0 | | 0 |
| 11. All other liabilities (Balance)..... | 22,080,056 | | 22,080,056 |
| 12. Total liabilities (Line 22)..... | 122,817,180 | 0 | 122,817,180 |
| 13. Total capital and surplus (Line 30)..... | 95,464,380 | XXX | 95,464,380 |
| 14. Total liabilities, capital and surplus (Line 31) | 218,281,560 | 0 | 218,281,560 |
| NET CREDIT FOR CEDED REINSURANCE | | | |
| 15. Claims unpaid..... | 0 | | |
| 16. Accrued medical incentive pool..... | 0 | | |
| 17. Premiums received in advance | 0 | | |
| 18. Reinsurance recoverable on paid losses | 177,317 | | |
| 19. Other ceded reinsurance recoverables | 0 | | |
| 20. Total ceded reinsurance recoverables | 177,317 | | |
| 21. Premiums receivable | 0 | | |
| 22. Unauthorized reinsurance | 0 | | |
| 23. Other ceded reinsurance payables/offsets | 0 | | |
| 24. Total ceded reinsurance payable/offsets | 0 | | |
| 25. Total net credit for ceded reinsurance | 177,317 | | |

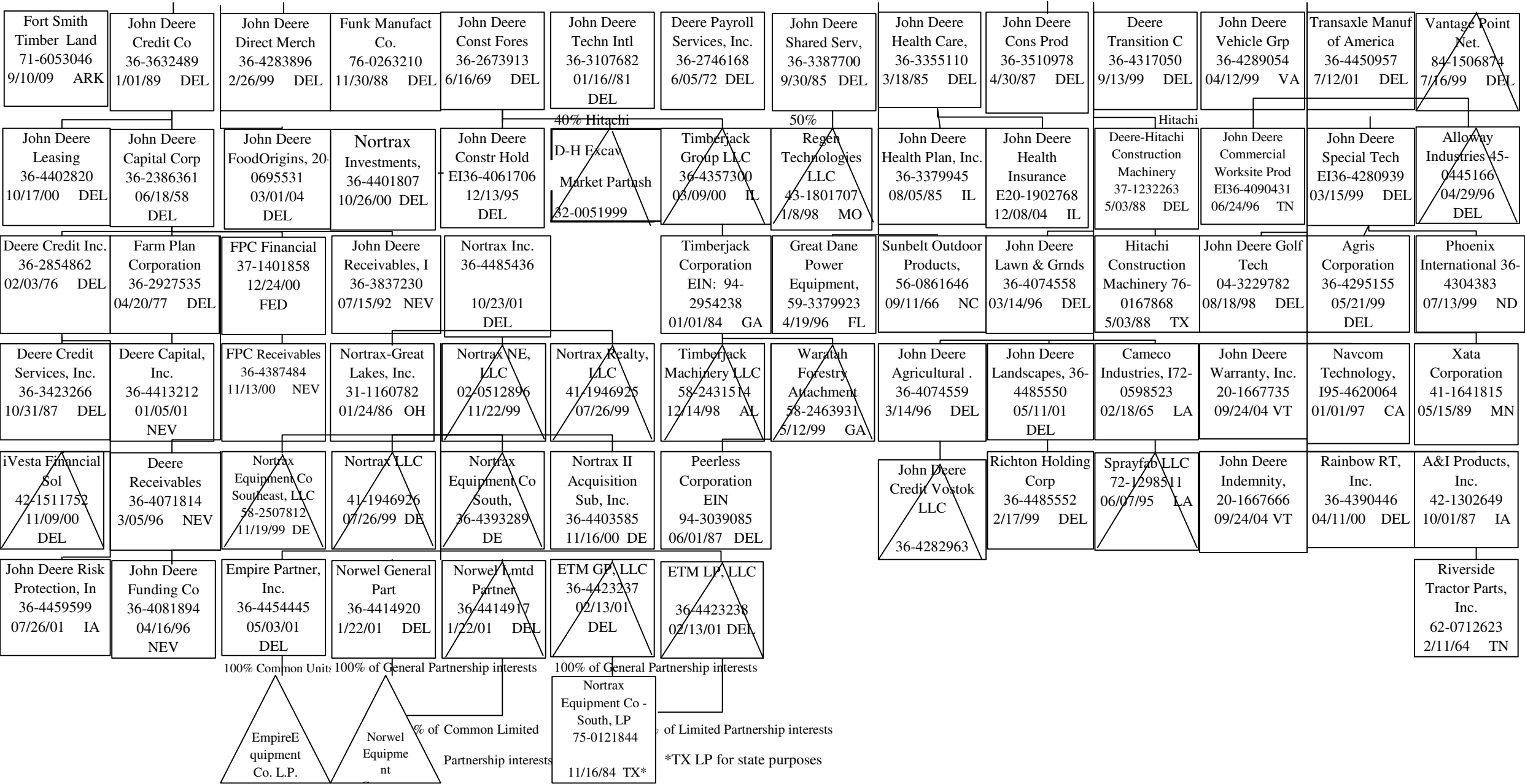
SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

| Allocated by States and Territories | | | | | | | | |
|--|------------------------------|-------------------------------------|----------------------|-------------------------|-----------------------|--|---|--|
| States, Etc. | 1 | 2 | Direct Business Only | | | | | |
| | Guaranty Fund (Yes or No) | Is Insurer Licensed? (Yes or No) | 3 | 4 | 5 | 6 Federal Employees Health Benefits Program Premiums | 7 Life & Annuity Premiums & Deposit Type Contract Funds | 8 Property/ Casualty Premiums |
| | | | Premiums | Medicare Title XVIII | Medicaid Title XIX | | | |
| 1. Alabama.....AL | | No | | | | | | |
| 2. Alaska.....AK | | No | | | | | | |
| 3. Arizona.....AZ | | No | | | | | | |
| 4. Arkansas.....AR | | No | | | | | | |
| 5. California.....CA | | No | | | | | | |
| 6. Colorado.....CO | | No | | | | | | |
| 7. Connecticut.....CT | | No | | | | | | |
| 8. Delaware.....DE | | No | | | | | | |
| 9. District of Columbia.....DC | | No | | | | | | |
| 10. Florida.....FL | | No | | | | | | |
| 11. Georgia.....GA | | No | | | | | | |
| 12. Hawaii.....HI | | No | | | | | | |
| 13. Idaho.....ID | | No | | | | | | |
| 14. Illinois.....IL | Yes | Yes | 101,740,745 | 2,112 | | | | |
| 15. Indiana.....IN | | No | | | | | | |
| 16. Iowa.....IA | No | Yes | 238,194,231 | 2,365,796 | 5,536,642 | 13,423,567 | | |
| 17. Kansas.....KS | | No | | | | | | |
| 18. Kentucky.....KY | | No | | | | | | |
| 19. Louisiana.....LA | | No | | | | | | |
| 20. Maine.....ME | | No | | | | | | |
| 21. Maryland.....MD | | No | | | | | | |
| 22. Massachusetts.....MA | | No | | | | | | |
| 23. Michigan.....MI | | No | | | | | | |
| 24. Minnesota.....MN | | No | | | | | | |
| 25. Mississippi.....MS | | No | | | | | | |
| 26. Missouri.....MO | | No | | | | | | |
| 27. Montana.....MT | | No | | | | | | |
| 28. Nebraska.....NE | | No | | | | | | |
| 29. Nevada.....NV | | No | | | | | | |
| 30. New Hampshire.....NH | | No | | | | | | |
| 31. New Jersey.....NJ | | No | | | | | | |
| 32. New Mexico.....NM | | No | | | | | | |
| 33. New York.....NY | | No | | | | | | |
| 34. North Carolina.....NC | | No | | | | | | |
| 35. North Dakota.....ND | | No | | | | | | |
| 36. Ohio.....OH | | No | | | | | | |
| 37. Oklahoma.....OK | | No | | | | | | |
| 38. Oregon.....OR | | No | | | | | | |
| 39. Pennsylvania.....PA | | No | | | | | | |
| 40. Rhode Island.....RI | | No | | | | | | |
| 41. South Carolina.....SC | No | No | | | | | | |
| 42. South Dakota.....SD | | No | | | | | | |
| 43. Tennessee.....TN | No | Yes | 194,918,910 | 119,739,636 | | | | |
| 44. Texas.....TX | | No | | | | | | |
| 45. Utah.....UT | | No | | | | | | |
| 46. Vermont.....VT | | No | | | | | | |
| 47. Virginia.....VA | No | Yes | 25,343,642 | 24,944,696 | | | | |
| 48. Washington.....WA | | No | | | | | | |
| 49. West Virginia.....WV | | No | | | | | | |
| 50. Wisconsin.....WI | | No | | | | | | |
| 51. Wyoming.....WY | | No | | | | | | |
| 52. American Samoa.....AS | | | | | | | | |
| 53. Guam.....GU | | | | | | | | |
| 54. Puerto Rico.....PR | | | | | | | | |
| 55. U.S. Virgin Islands.....VI | | | | | | | | |
| 56. Canada.....CN | | | | | | | | |
| 57. Aggregate other alien.....OT | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 58. Total (Direct Business) | XXX | (a) 4 | 560,197,528 | 147,052,240 | 5,536,642 | 13,423,567 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 5701. | XXX | XXX | | | | | | |
| 5702. | XXX | XXX | | | | | | |
| 5703. | XXX | XXX | | | | | | |
| 5798. Summary of remaining write-ins for Line 57 from overflow page | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 5799. Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above) | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 |

Explanation of basis of allocation by states, premiums by state, etc.:
(a) Insert the number of yes responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



52

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

[illegible]

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

1.

Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?.....

YES [☐] NO [☒]
2.

Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?.....

YES [☒] NO [☐]
3.

Will an actuarial certification be filed by March 1?.....

YES [☒] NO [☐]
4.

Will the Risk-based Capital Report be filed with the NAIC by March 1?.....

YES [☒] NO [☐]
5.

Will the Risk-based Capital Report be filed with the state of domicile, if required by March 1?.....

YES [☒] NO [☐]
6.

Will the Life Supplement be filed the state of domicile and the NAIC by March 1?

YES [☐] NO [☒]
7.

Will the Property/Casualty Supplement be filed the state of domicile and the NAIC by March 1?.....

YES [☐] NO [☒]

APRIL FILING

8.

Will Management's Discussion and Analysis be filed by April 1?.....

YES [☒] NO [☐]
9.

Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?.....

YES [☐] NO [☒]
10.

Will the Investment Risks Interrogatories be filed by April 1?

YES [☒] NO [☐]

JUNE FILING

11.

Will an audited financial report be filed by June 1 with the state of domicile?

YES [☒] NO [☐]

EXPLANATIONS:

1.

NONE Pages
6.


NONE Pages
7.


NONE Pages
9.


NONE Pages


BAR CODE:

1.


9 5 3 7 8 2 0 0 4 3 6 0 5 8 0 0 0
6.


9 5 3 7 8 2 0 0 4 2 0 5 0 0 0 0 0
7.


9 5 3 7 8 2 0 0 4 2 0 7 0 0 0 0 0
9.


9 5 3 7 8 2 0 0 4 3 3 0 5 8 0 0 0

OVERFLOW PAGE FOR WRITE-INS

M003 Additional Aggregate Lines for Page 03 Line 21.
*LIAB

| | | | | | |
|-------|---|---------|---|---------|--------|
| 2104. | Accounts Payable - Other..... | 477,390 | | 477,390 | 80,000 |
| 2197. | Summary of remaining write-ins for Line 21 from Page 03 | 477,390 | 0 | 477,390 | 80,000 |

Schedule A - Part 1

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 1

NONE

Schedule B - Part 2

NONE

Schedule BA - Part 1

NONE

Schedule BA - Part 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

| 1 | 2 | Codes | | | 6 | 7 | Fair Value | | 10 | 11 | Change in Book Adjusted Carrying Value | | | | Interest | | | | | Dates | |
|--|---------------------------------|-------|---------------------------------|-----------|------------------|-------------|--------------------------------|------------|------------|------------------------------|---|--|---|--|----------|-------------------|----------|-------------------------------|-----------------------------|----------------|----------------|
| | | 3 | 4 | 5 | | | 8 | 9 | | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| CUSIP Identification | Description | * | F o r e i g n | Bond CHAR | NAIC Designation | Actual Cost | Rate Used to Obtain Fair Value | Fair Value | Par Value | Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Foreign Exchange Change in B./A.C.V. | Rate of | Effective Rate of | How Paid | Admitted Amount Due & Accrued | Gross Amt. Rec. During Year | Acquired | Maturity |
| US Governments Issuer Obligations (IO) | | | | | | | | | | | | | | | | | | | | | |
| 3128X0-B4-0..... | Freddie Mac..... | | D | 1 | 1 | 1,000,000 | 100.0940 | 1,000,940 | 1,000,000 | 1,000,000 | | | | | 4.375 | 4.375 | FA | 17,865 | 43,750 | ..01/30/2003.. | ..02/04/2010.. |
| 3128X1-2J-5..... | Freddie Mac..... | | D | | 1 | 1,000,000 | 100.0070 | 1,000,070 | 1,000,000 | 1,000,000 | | | | | 6.000 | 6.000 | MN | 9,333 | 60,000 | ..11/05/2003.. | ..11/05/2018.. |
| 3128X1-JY-4..... | Freddie Mac..... | | D | 1 | 1 | 1,000,000 | 94.3720 | 943,720 | 1,000,000 | 1,000,000 | | | | | 4.600 | 4.600 | JD | 3,322 | 46,000 | ..06/18/2003.. | ..06/05/2018.. |
| 3128X2-EV-3..... | Freddie Mac..... | | D | 1 | 1 | 1,000,000 | 100.5000 | 1,005,000 | 1,000,000 | 1,000,000 | | | | | 4.750 | 4.750 | JD | 3,035 | 47,500 | ..12/04/2003.. | ..12/08/2010.. |
| 3128X2-M6-7..... | Freddie Mac..... | | D | | 1 | 1,000,000 | 100.9190 | 1,009,190 | 1,000,000 | 1,000,000 | | | | | 4.550 | 4.550 | JJ | 20,349 | 22,750 | ..01/06/2004.. | ..01/20/2011.. |
| 3128X3-SL-8..... | FHLMC..... | | D | 1 | | 997,500 | 100.4060 | 1,004,060 | 1,000,000 | 997,657 | | 157 | | | 4.375 | 4.431 | JJ | 18,351 | | ..07/28/2004.. | ..07/30/2009.. |
| 312924-TF-0..... | Freddie Mac..... | | D | | 1 | 490,938 | 102.0180 | 510,090 | 500,000 | 496,283 | | 1,827 | | | 4.350 | 4.764 | MN | 2,417 | 21,750 | ..11/30/2001.. | ..11/21/2006.. |
| 31331L-GZ-5..... | Federal Farm Credit Bank..... | | D | | 1 | 1,035,560 | 103.0000 | 1,030,000 | 1,000,000 | 1,021,057 | | (10,696) | | | 5.400 | 3.785 | MN | 7,650 | 54,000 | ..04/29/2004.. | ..05/10/2006.. |
| 313395-LC-7..... | Federal Home Loan Bank..... | | D | | 1 | 523,165 | 107.0000 | 535,000 | 500,000 | 508,945 | | (3,920) | | | 6.789 | 5.865 | FA | 13,767 | 33,945 | ..01/24/2001.. | ..02/05/2007.. |
| 31339X-EY-6..... | Federal Home Loan Bank..... | | D | | 1 | 1,499,063 | 99.0050 | 1,485,075 | 1,500,000 | 1,546,580 | | 31,037 | | | 5.000 | 4.574 | JD | 2,292 | 37,500 | ..06/09/2003.. | ..12/20/2013.. |
| 31339X-KB-9..... | Federal Home Loan Bank..... | | D | 1 | 1 | 999,375 | 97.0370 | 970,370 | 1,000,000 | 1,014,846 | | 10,339 | | | 3.500 | 4.502 | JD | 486 | 35,000 | ..06/06/2003.. | ..06/26/2013.. |
| 31339X-NW-0..... | Federal Home Loan Bank..... | | D | | 1 | 1,000,000 | 97.5110 | 975,110 | 1,000,000 | 1,012,138 | | 8,161 | | | 3.000 | 3.793 | JD | 83 | 30,000 | ..06/05/2003.. | ..06/30/2010.. |
| 31339X-QS-6..... | Federal Home Loan Bank..... | | D | | 1 | 1,000,000 | 98.7740 | 987,740 | 1,000,000 | 1,028,097 | | 17,463 | | | 3.000 | 4.243 | JD | 83 | 25,625 | ..06/05/2003.. | ..06/30/2010.. |
| 3133M7-UL-8..... | Federal Home Loan Bank..... | | D | | 1 | 983,590 | 107.5630 | 1,075,630 | 1,000,000 | 990,248 | | 1,985 | | | 5.705 | 5.970 | MS | 18,858 | 57,050 | ..05/18/2001.. | ..03/02/2009.. |
| 3133MJ-KH-2..... | Federal Home Loan Bank..... | | D | | 1 | 500,000 | 102.3750 | 511,875 | 500,000 | 500,000 | | | | | 4.550 | 4.550 | MN | 2,591 | 22,750 | ..11/07/2001.. | ..11/20/2006.. |
| 3133MJ-UR-9..... | Federal Home Loan Bank..... | | D | | 1 | 979,880 | 101.5630 | 1,015,630 | 1,000,000 | 991,880 | | 4,041 | | | 4.125 | 4.580 | MN | 5,271 | 41,250 | ..11/15/2001.. | ..11/15/2006.. |
| 3133MW-M3-2..... | Federal Home Loan Bank..... | | D | 1 | 1 | 998,125 | 98.9380 | 989,380 | 1,000,000 | 998,235 | | 86 | | | 5.300 | 5.318 | MS | 15,900 | 53,000 | ..07/21/2003.. | ..03/13/2018.. |
| 3133MX-XT-1..... | Federal Home Loan Bank..... | | D | 1 | | 993,750 | 99.2430 | 992,430 | 1,000,000 | 1,035,040 | | 25,202 | | | 3.000 | 5.433 | AO | 5,083 | 30,000 | ..04/03/2003.. | ..04/30/2013.. |
| 3133X9-CS-7..... | Federal Home Loan Bank..... | | D | | 1 | 999,063 | 99.2810 | 992,810 | 1,000,000 | 999,029 | | (33) | | | 5.040 | 5.052 | MN | 5,880 | | ..11/24/2004.. | ..11/19/2014.. |
| 3134A4-RU-0..... | FHLMC Subordinate..... | | D | 1 | 1 | 1,006,100 | 101.6880 | 1,016,880 | 1,000,000 | 1,004,924 | | (1,176) | | | 5.250 | 5.059 | MN | 8,167 | 52,500 | ..04/15/2004.. | ..11/05/2012.. |
| 3134A4-UM-4..... | FHLMC..... | | D | | 1 | 998,490 | 99.9690 | 999,690 | 1,000,000 | 998,588 | | 98 | | | 4.500 | 4.519 | JJ | 20,750 | 22,375 | ..01/14/2004.. | ..01/15/2014.. |
| 31359M-LH-4..... | Fannie Mae..... | | D | | 1 | 974,805 | 102.0000 | 1,020,000 | 1,000,000 | 989,843 | | 5,184 | | | 4.375 | 4.972 | AO | 9,236 | 43,750 | ..12/28/2001.. | ..10/15/2006.. |
| 31359M-TP-8..... | Fannie Mae..... | | D | | 1 | 1,010,770 | 101.9690 | 1,019,690 | 1,000,000 | 1,009,911 | | (856) | | | 5.125 | 4.987 | JJ | 25,483 | 33,597 | ..12/29/2003.. | ..01/02/2014.. |
| 31364G-BF-5..... | Fannie Mae..... | | D | | 1 | 969,920 | 106.3680 | 1,063,680 | 1,000,000 | 975,135 | | 2,126 | | | 5.380 | 5.744 | AO | 13,301 | 53,800 | ..06/06/2002.. | ..10/02/2013.. |
| 3136F3-AJ-5..... | Fannie Mae..... | | D | 1 | 1 | 998,750 | 99.7500 | 997,500 | 1,000,000 | 998,911 | | 99 | | | 5.000 | 5.015 | FA | 17,222 | 50,000 | ..04/03/2003.. | ..02/27/2013.. |
| 912827-5G-3..... | U S Treasury..... | | D | | 1 | 5,175,000 | 108.1560 | 5,407,800 | 5,000,000 | 5,112,188 | | (22,571) | | | 5.500 | 4.921 | MN | 35,704 | 275,000 | ..01/29/2002.. | ..05/15/2009.. |
| 912827-6T-4..... | U S Treasury..... | | D | | 1 | 2,110,313 | 106.3790 | 2,127,580 | 2,000,000 | 2,077,681 | | (10,899) | | | 5.000 | 4.271 | FA | 37,772 | 100,000 | ..11/09/2001.. | ..02/15/2011.. |
| 912827-7B-2..... | U S Treasury..... | | D | | 1 | 976,875 | 106.4570 | 1,064,570 | 1,000,000 | 982,579 | | 2,136 | | | 5.000 | 5.314 | FA | 18,886 | 50,000 | ..03/11/2002.. | ..08/15/2011.. |
| 912827-W8-1..... | U S Treasury Note..... | | D | | 1 | 1,007,344 | 103.0940 | 1,030,940 | 1,000,000 | 1,001,223 | | (1,089) | | | 5.625 | 5.505 | FA | 21,247 | 56,250 | ..07/02/1998.. | ..02/15/2006.. |
| 912827-Y5-5..... | U S Treasury..... | | D | | 1 | 1,628,516 | 106.0230 | 1,590,345 | 1,500,000 | 1,539,805 | | (24,279) | | | 7.000 | 5.181 | JJ | 48,505 | 105,000 | ..01/25/2001.. | ..07/15/2006.. |
| 912828-AH-3..... | U.S. Treasury..... | | D | | 1 | 2,028,281 | 100.1480 | 2,002,960 | 2,000,000 | 2,015,828 | | (5,740) | | | 3.250 | 2.933 | FA | 24,552 | 65,000 | ..10/15/2002.. | ..08/15/2007.. |
| 912828-AH-0..... | U.S. Treasury..... | | D | | 1 | 4,973,516 | 99.3830 | 4,969,150 | 5,000,000 | 4,979,484 | | 3,134 | | | 3.000 | 3.150 | MN | 19,475 | 90,000 | ..12/22/2004.. | ..11/15/2007.. |
| 912828-BH-2..... | U.S. Treasury..... | | D | | 1 | 1,980,938 | 100.7890 | 2,015,780 | 2,000,000 | 1,983,016 | | 1,583 | | | 4.250 | 4.369 | FA | 32,106 | 85,000 | ..08/11/2003.. | ..08/15/2013.. |
| 912828-BM-1..... | U.S. Treasury..... | | D | | 1 | 1,996,875 | 98.9380 | 1,978,760 | 2,000,000 | 1,997,480 | | 603 | | | 3.125 | 3.160 | AO | 13,393 | 62,500 | ..12/31/2003.. | ..10/15/2008.. |
| 912828-BR-0..... | U.S. Treasury..... | | D | | 1 | 3,994,375 | 100.6290 | 4,025,160 | 4,000,000 | 3,994,612 | | 237 | | | 4.250 | 4.268 | MN | 22,072 | 85,000 | ..08/12/2004.. | ..11/15/2013.. |
| 912828-BT-6..... | U.S. Treasury..... | | D | | 1 | 4,975,781 | 99.6870 | 4,984,350 | 5,000,000 | 4,975,806 | | 25 | | | 3.375 | 3.507 | JD | 7,881 | | ..12/29/2004.. | ..12/15/2008.. |
| 912828-CX-6..... | U.S. Treasury..... | | D | | 1 | 4,936,328 | 99.0000 | 4,950,000 | 5,000,000 | 4,936,393 | | 65 | | | 3.375 | 3.666 | AO | 36,161 | | ..12/29/2004.. | ..10/15/2009.. |
| 912828-DE-7..... | U.S. Treasury..... | | D | | 1 | 2,991,563 | 99.5000 | 2,985,000 | 3,000,000 | 2,991,583 | | 20 | | | 3.500 | 3.562 | JD | 4,904 | | ..12/21/2004.. | ..12/15/2009.. |
| 0199999 - Total Bonds - U.S. Government - Issuer Obligations | | | | | | 62,734,545 | XXX | 63,283,955 | 62,500,000 | 62,705,026 | 0 | 34,349 | 0 | 0 | XXX | XXX | XXX | 569,431 | 1,891,642 | XXX | XXX |
| Single Class Mortgage (SC) | | | | | | | | | | | | | | | | | | | | | |
| 36218S-SV-3..... | GNMA Pool #0231032..... | | D | | 1 | 407 | 101.6540 | 416 | 409 | 407 | | | | | 9.000 | 9.229 | MON | 3 | 37 | ..07/07/1989.. | ..07/15/2017.. |
| 36220N-VU-8..... | GNMA Pool #0283327..... | | D | | 1 | 17,149 | 109.9960 | 18,854 | 17,141 | 17,138 | | (10) | | | 9.000 | 8.938 | MON | 129 | 1,543 | ..11/16/1989.. | ..12/15/2019.. |
| 36220Y-KL-6..... | GNMA Pool #0291999..... | | D | | 1 | 1,882 | 101.6960 | 1,907 | 1,875 | 1,869 | | (9) | | | 9.000 | 8.182 | MON | 14 | 169 | ..10/24/1990.. | ..10/15/2005.. |
| 0299999 - Total Bonds - U.S. Government - Single Class Mortgage-Backed/Asset-Backed Securities | | | | | | 19,437 | XXX | 21,178 | 19,426 | 19,414 | 0 | (19) | 0 | 0 | XXX | XXX | XXX | 146 | 1,748 | XXX | XXX |
| 0399999 - Total - U.S. Government Bonds | | | | | | 62,753,983 | XXX | 63,305,133 | 62,519,426 | 62,724,440 | 0 | 34,330 | 0 | 0 | XXX | XXX | XXX | 569,576 | 1,893,391 | XXX | XXX |
| Special Revenue & Assessment Issuer Obligations (IO) | | | | | | | | | | | | | | | | | | | | | |
| 78442F-AQ-1..... | SLMA Corp..... | | D | | 1 | 1,049,330 | 99.7420 | 997,420 | 1,000,000 | 1,044,099 | | (3,318) | | | 5.000 | 4.460 | AO | 10,556 | 50,000 | ..05/22/2003.. | ..04/15/2015.. |
| 880591-DW-9..... | Tennessee Valley Authority..... | | D | | 1 | 987,000 | 102.2800 | 1,022,800 | 1,000,000 | 988,436 | | 1,056 | | | 4.750 | 4.916 | FA | 19,792 | 47,500 | ..08/04/2003.. | ..08/01/2013.. |
| 2599999 - Total Bonds - Special Revenue - Issuer Obligations | | | | | | 2,036,330 | XXX | 2,020,220 | 2,000,000 | 2,032,535 | 0 | (2,262) | 0 | 0 | XXX | XXX | XXX | 30,347 | 97,500 | XXX | XXX |
| Defined Multi-Class Residential (DR) | | | | | | | | | | | | | | | | | | | | | |
| 312907-M6-2..... | FHLMC 1171- K..... | | D | 2 | 1 | 2,967 | 100.4050 | 3,012 | 3,000 | 2,987 | | 4 | | | 8.000 | 8.268 | MON | 20 | 240 | ..10/30/1991.. | ..11/15/2006.. |
| 312911-T8-3..... | FHLMC 1369- H..... | | D | 2 | 1 | 282,408 | 101.5820 | 297,280 | 292,651 | 290,491 | | 215 | | | 6.500 | 7.101 | MON | 1,585 | 19,022 | ..03/17/1994.. | ..09/15/2007.. |
| 312912-KD-9..... | FHLMC 1385-H..... | | D | 2 | 1 | 73,806 | 100.5030 | 75,501 | 75,124 | 74,715 | | 21 | | | 6.500 | 7.131 | MON | 407 | 4,883 | ..12/20/1999.. | ..08/15/2007.. |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

| 1 | 2 | Codes | | | 6 | 7 | Fair Value | | 10 | 11 | Change in Book Adjusted Carrying Value | | | | Interest | | Dates | | | | | |
|-------------------------|-------------------|-------|--------------------------------------|--------------|---------------------|-------------|--------------------------------------|------------|-----------|---------------------------------|--|--|---|---|----------|----------------------|----------|-------------------------------------|-----------------------------------|----------|------------|------------|
| | | 3 | 4 F o r e i g n | 5 | | | 8 | 9 | | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | |
| | | | | | | | | | | | | | | | | | | | | | | |
| CUSIP Identification | Description | * | | Bond CHAR | NAIC Designation | Actual Cost | Rate Used to Obtain Fair Value | Fair Value | Par Value | Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Foreign Exchange Change in B./A.C.V. | Rate of | Effective Rate of | How Paid | Admitted Amount Due & Accrued | Gross Amt. Rec. During Year | Acquired | Maturity | |
| 31339L-SR-2 | FHLMC 2390 WC | | D | 2 | 1 | 102,850 | 100.0820 | 105,035 | 104,949 | 103,594 | | (470) | | | 5.500 | 6.242 | MON | 481 | 5,772 | | 01/04/2002 | 04/15/2015 |
| 31339N-WC-6 | FHLMC 2430-VL | | D | 2 | 1 | 1,057,813 | 103.3930 | 1,033,930 | 1,000,000 | 1,038,291 | | (11,321) | | | 6.000 | 1.007 | | 5,000 | 60,000 | | 03/13/2003 | 01/15/2018 |
| 31339W-E3-6 | FHLMC 2424-VB | | D | 2 | 1 | 732,995 | 100.7610 | 753,676 | 747,984 | 743,128 | | 3,612 | | | 6.000 | 6.677 | MON | 3,740 | 44,879 | | 03/28/2002 | 01/15/2019 |
| 3133T1-SR-4 | FHLMC 1601-PJ | | D | 2 | 1 | 1,017,813 | 103.3500 | 1,033,500 | 1,006,737 | 1,000,000 | | (1,237) | | | 6.000 | 5.212 | MON | 5,000 | 60,000 | | 03/16/2001 | 10/15/2008 |
| 3133T4-XM-3 | FHLMC-GNMA 1708-E | | D | 2 | 1 | 475,156 | 103.3420 | 516,710 | 500,000 | 486,266 | | (881) | | | 6.000 | 7.920 | MON | 2,500 | 30,000 | | 08/31/2000 | 03/15/2009 |
| 3133T6-QQ-7 | FHLMC 1808-A | | D | 2 | 1 | 170,710 | 100.8710 | 183,509 | 181,924 | 175,781 | | (3,012) | | | 5.000 | 6.381 | MON | 758 | 9,096 | | 06/04/1999 | 10/15/2007 |
| 3133TD-7D-2 | FHLMC 2038-PC | | D | 2 | 1 | 958,819 | 102.1420 | 986,758 | 966,065 | 959,273 | | (1,676) | | | 5.500 | 5.952 | MON | 4,428 | 53,133 | | 01/16/2002 | 02/15/2028 |
| 31358T-TB-5 | FNMA 1993-014-A | | D | 2 | 1 | 28,367 | 99.8090 | 28,500 | 28,554 | 28,405 | | (27) | | | 6.000 | 6.129 | MON | 143 | 1,713 | | 04/28/1998 | 02/25/2008 |
| 31359A-EG-0 | FNMA 1993-93 G | | D | 2 | 1 | 294,961 | 103.6160 | 304,059 | 293,448 | 293,253 | | (96) | | | 6.750 | 6.504 | MON | 1,651 | 19,808 | | 12/08/2000 | 05/25/2008 |
| 31359N-AR-2 | FNMA 1996-64 PK | | D | 2 | 1 | 128,993 | 100.4920 | 131,207 | 130,564 | 129,236 | | (714) | | | 6.500 | 6.829 | MON | 707 | 8,487 | | 12/07/1999 | 05/18/2011 |
| 31392B-2R-6 | FNMA 2002-7 OM | | D | 2 | 1 | 1,006,875 | 101.5670 | 1,015,670 | 1,000,000 | 1,003,469 | | 1,410 | | | 6.000 | 5.896 | MON | 5,000 | 60,000 | | 03/06/2002 | 02/25/2020 |
| 31392F-FA-0 | FNMA 2002-73 OD | | D | 2 | 1 | 1,020,313 | 101.9590 | 1,019,590 | 1,000,000 | 1,016,285 | | (4,028) | | | 5.000 | 4.528 | MON | 4,167 | 45,833 | | 01/08/2004 | 06/25/2016 |
| 31392H-EL-3 | FNMA 2002-97 LP | | D | 2 | 1 | 513,633 | 101.0080 | 505,040 | 500,000 | 511,444 | | (545) | | | 5.000 | 2.938 | MON | 2,083 | 25,000 | | 12/30/20 | |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

| 1 | 2 | Codes | | | 6 | 7 | Fair Value | | 10 | 11 | Change in Book Adjusted Carrying Value | | | | Interest | | | | | Dates | |
|---|---|-------|---------------------------------|-----------|------------------|-------------|--------------------------------|------------|------------|------------------------------|--|----------|----|-------|----------|-----|--------|---------|------------|------------|-----|
| CUSIP | Description | 3 | 4 | 5 | NAIC Designation | Actual Cost | 8 | 9 | Par Value | Book/Adjusted Carrying Value | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| | | * | F o r e i g n | Bond CHAR | | | Rate Used to Obtain Fair Value | Fair Value |  |  |  |  |  |  |  |  |  |  |  |  |  | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Foreign Exchange Change in B./A.C.V. | Rate of | Effective Rate of | How Paid | Admitted Amount Due & Accrued | Gross Amt. Rec. During Year | Acquired | Maturity |
| 3199999 - Total - Special Revenue Bonds | | | | | | 54,120,494 | XXX | 54,185,538 | 53,698,791 | 53,993,703 | 0 | (94,652) | 0 | 0 | XXX | XXX | XXX | 252,924 | 2,293,311 | XXX | XXX |
| Public Utilities (unaffiliated) Issuer Obligations (10) | | | | | | | | | | | | | | | | | | | | | |
| 250847-DR-8 | Detroit Edison Company | | D | | 2FE | 501,935 | 101.5270 | 507,635 | 500,000 | 500,398 | | (558) | | 5.050 | 4.930 | AO | 6,313 | 25,250 | 02/22/2002 | 10/01/2005 | |
| 362337-AM-9 | GTE NORTH INC | | D | | 1FE | 1,570,785 | 104.1830 | 1,562,745 | 1,500,000 | 1,563,128 | | (7,657) | | 5.650 | 4.453 | MN | 10,829 | 42,375 | 06/24/2004 | 11/15/2008 | |
| 693304-AD-9 | Exelon Corporation PECO Energy 1st Mortgage | | D | | 1FE | 1,014,010 | 100.9800 | 1,009,800 | 1,000,000 | 1,011,698 | | (1,240) | | 4.750 | 4.568 | AO | 11,875 | 47,500 | 02/04/2003 | 10/01/2012 | |
| 3299999 - Total Bonds - Public Utilities - Issuer Obligations | | | | | | 3,086,730 | XXX | 3,080,180 | 3,000,000 | 3,075,225 | 0 | (9,455) | 0 | 0 | XXX | XXX | XXX | 29,017 | 115,125 | XXX | XXX |
| 3899999 - Total - Public Utilities Bonds | | | | | | 3,086,730 | XXX | 3,080,180 | 3,000,000 | 3,075,225 | 0 | (9,455) | 0 | 0 | XXX | XXX | XXX | 29,017 | 115,125 | XXX | XXX |
| Industrial & Miscellaneous Issuer Obligations (10) | | | | | | | | | | | | | | | | | | | | | |
| 002824-AM-2 | Abbott Laboratories | | D | | 1FE | 530,090 | 103.3870 | 516,935 | 500,000 | 510,400 | | (6,583) | | 5.625 | 4.180 | JJ | 14,063 | 28,125 | 11/09/2001 | 07/01/2006 | |
| 013817-AF-8 | Alcoa Inc. | | D | | 1FE | 1,084,930 | 109.2420 | 1,092,420 | 1,000,000 | 1,074,024 | | (8,672) | | 6.000 | 4.750 | JJ | 27,667 | 60,000 | 09/18/2003 | 01/15/2012 | |
| 025816-A0-2 | American Express Co | | D | | 1FE | 1,008,410 | 101.5190 | 1,015,190 | 1,000,000 | 1,007,552 | | (706) | | 4.875 | 4.766 | JJ | 22,479 | 47,531 | 09/19/2003 | 07/15/2013 | |
| 031162-AB-6 | Amgen Inc. | | D | | 1FE | 1,026,690 | 108.1030 | 1,081,030 | 1,000,000 | 1,013,128 | | (4,025) | | 6.500 | 6.000 | JD | 5,417 | 65,000 | 05/10/2001 | 12/01/2007 | |
| 032166-A0-3 | Amsouth Bancorporation | | D | | 1FE | 982,630 | 99.8920 | 998,920 | 1,000,000 | 984,648 | | 1,458 | | 4.850 | 5.079 | AO | 12,125 | 48,500 | 08/01/2003 | 04/01/2013 | |
| 035229-CR-2 | Anheuser-Busch Companies Inc | | D | 1 | 1FE | 999,790 | 99.3210 | 993,210 | 1,000,000 | 999,797 | | 13 | | 4.625 | 4.627 | FA | 19,271 | 46,250 | 02/04/2003 | 02/01/2015 | |
| 060505-AG-9 | BankAmerica Corporation/New | | D | | 1FE | 1,193,420 | 115.8380 | 1,158,380 | 1,000,000 | 1,155,946 | | (22,076) | | 7.400 | 4.428 | JJ | 34,122 | 74,000 | 04/04/2003 | 01/15/2011 | |
| 060505-BF-0 | BankAmerica Corporation/New | | D | | 1FE | 1,004,880 | 100.2980 | 1,002,980 | 1,000,000 | 1,004,877 | | (3) | | 4.375 | 4.280 | JD | 3,646 | | 12/29/200 | | |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

| 1 | 2 | Codes | | | 6 | 7 | Fair Value | | 10 | 11 | Change in Book Adjusted Carrying Value | | | | Interest | | | | | Dates | |
|--|---------------------------|-------|---------------------------------|--------------|-----|-------------|--------------------------------------|-------------|-------------|-------------|--|--|---|---|----------|----------------------|----------|-------------------------------------|-----------------------------------|------------|------------|
| | | 3 | 4 | 5 | | | 8 | 9 | | | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| | | * | F o r e i g n | Bond CHAR | | | Rate Used to Obtain Fair Value | Fair Value | | | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Foreign Exchange Change in B./A.C.V. | Rate of | Effective Rate of | How Paid | Admitted Amount Due & Accrued | Gross Amt. Rec. During Year | Acquired | Maturity |
| 709903-BB-3 | Pennzoil Co. | | D | | 2FE | 100,750 | 121,7560 | 121,756 | 100,000 | 100,315 | | (52) | | | 10.125 | 10.035 | MN | 1,294 | 10,125 | 12/05/1989 | 11/15/2009 |
| 71345L-EJ-3 | Pepsico Inc. | | D | | 1FE | 1,997,820 | 99.5170 | 1,990,340 | 2,000,000 | 1,998,234 | | 414 | | | 3.200 | 3.238 | MN | 8,178 | 33,600 | 05/03/2004 | 05/15/2007 |
| 717081-AR-4 | Pfizer Inc | | D | | 1FE | 970,260 | 98.8920 | 988,920 | 1,000,000 | 971,304 | | 1,044 | | | 4.500 | 4.893 | FA | 17,000 | 24,000 | 07/21/2004 | 02/15/2014 |
| 72447W-AA-7 | Pitney Bowes Inc. | | D | | 1FE | 976,820 | 97.0100 | 970,100 | 1,000,000 | 978,442 | | 1,110 | | | 4.750 | 4.972 | MN | 6,069 | 47,500 | 07/21/2003 | 05/15/2018 |
| 742718-DB-2 | Procter & Gamble Co. | | D | | 1FE | 998,290 | 105.7180 | 1,057,180 | 1,000,000 | 998,227 | | (63) | | | 5.800 | 5.812 | FA | 22,717 | | 08/04/2004 | 08/15/2034 |
| 75913L-AC-5 | Regions Bank. | | D | | 1FE | 993,650 | 99.0570 | 990,570 | 1,000,000 | 993,777 | | 127 | | | 2.900 | 3.230 | JD | 1,289 | | 12/10/2004 | 12/15/2006 |
| 811054-AC-9 | Scripps (E.W.) Co. (Ohio) | | D | 1 | 1FE | 1,053,500 | 107.4230 | 1,074,230 | 1,000,000 | 1,047,009 | | (5,026) | | | 5.750 | 4.994 | JJ | 26,514 | 57,500 | 09/04/2003 | 07/15/2012 |
| 84534E-CA-4 | SBC Commun Capital Corp. | | D | | 1FE | 946,000 | 101.6400 | 1,016,400 | 1,000,000 | 993,864 | | 11,215 | | | 6.250 | 7.480 | FA | 23,611 | 62,500 | 02/01/2000 | 07/07/2005 |
| 867914-AX-1 | SunTrust Banks Inc. | | D | | 1FE | 997,680 | 100.9220 | 1,009,220 | 1,000,000 | 997,844 | | 164 | | | 4.000 | 4.058 | AO | 16,111 | | 08/04/2004 | 10/15/2008 |
| 892332-AH-0 | Toyota Motor Credit | | D | | 1 | 1,092,440 | 105.9300 | 1,059,300 | 1,000,000 | 1,064,595 | | (14,894) | | | 5.500 | 3.728 | JD | 2,444 | 55,000 | 02/03/2003 | 12/15/2008 |
| 913017-AW-9 | United Technologies Corp. | | D | | 1FE | 961,350 | 110.1660 | 1,101,660 | 1,000,000 | 977,513 | | 4,184 | | | 6.500 | 7.100 | JD | 5,417 | 65,000 | 09/07/2000 | 06/01/2009 |
| 918204-AJ-7 | VF Corp. | | D | | 1FE | 952,840 | 101.2580 | 1,012,580 | 1,000,000 | 995,060 | | 10,675 | | | 6.750 | 7.930 | JD | 5,625 | 67,500 | 07/07/2000 | 06/01/2005 |
| 918204-AL-2 | VF Corp. | | D | | 1FE | 275,043 | 103.4690 | 258,673 | 250,000 | 259,926 | | (12,949) | | | 8.100 | 2.707 | AO | 5,063 | 20,250 | 10/30/2003 | 10/01/2005 |
| 925524-AT-7 | Viacom Inc | | D | | 1FE | 1,068,040 | 106.9650 | 1,069,650 | 1,000,000 | 1,059,941 | | (6,416) | | | 5.625 | 4.680 | FA | 21,250 | 56,250 | 09/19/2003 | 08/15/2012 |
| 929766-AA-9 | Wachovia Corp. | | D | | 1FE | 484,545 | 100.3220 | 501,610 | 500,000 | 485,888 | | 971 | | | 5.000 | 5.351 | FA | 9,444 | 26,389 | 07/29/2003 | 08/18/2015 |
| 931142-BE-2 | Wal-Mart Stores Inc | | D | | 1 | 1,560,826 | 112.2890 | 1,684,335 | 1,500,000 | 1,537,508 | | (6,854) | | | 6.875 | 6.240 | FA | 40,391 | 103,125 | 04/17/2001 | 08/10/2009 |
| 939640-AC-2 | Washington Post Co | | D | | 1FE | 950,360 | 105.7430 | 1,057,430 | 1,000,000 | 970,564 | | 6,057 | | | 5.500 | 6.320 | FA | 20,778 | 55,000 | 05/18/2001 | 02/15/2009 |
| 949746-JJ-1 | Wells Fargo & Company | | D | | 1FE | 2,012,700 | 100.4060 | 2,008,120 | 2,000,000 | 2,012,667 | | (33) | | | 4.200 | 4.058 | JJ | 5,833 | | 12/21/2004 | 01/15/2010 |
| 981516-AA-3 | World Savings Bank FSB | | D | | 1FE | 1,004,530 | 100.0190 | 1,000,190 | 1,000,000 | 1,004,517 | | (13) | | | 4.125 | 4.023 | JD | 2,635 | | 12/21/2004 | 12/15/2009 |
| 3999999 - Total Bonds - Industrial, Misc. - Issuer Obligations | | | | | | 70,943,673 | .XXX | 72,028,448 | 69,723,000 | 70,601,894 | 0 | (223,502) | 0 | 0 | XXX | XXX | XXX | 1,015,662 | 3,076,585 | XXX | XXX |
| 4599999 - Total - Industrial and Miscellaneous Bonds | | | | | | 70,943,673 | .XXX | 72,028,448 | 69,723,000 | 70,601,894 | 0 | (223,502) | 0 | 0 | XXX | XXX | XXX | 1,015,662 | 3,076,585 | XXX | XXX |
| 5499999 - Total - Issuer Obligations | | | | | | 138,801,278 | .XXX | 140,412,803 | 137,223,000 | 138,414,680 | 0 | (200,870) | 0 | 0 | XXX | XXX | XXX | 1,644,457 | 5,180,852 | XXX | XXX |
| 5599999 - Total - Single Class Mortgage-Backed/Asset-Backed Securities | | | | | | 19,437 | .XXX | 21,178 | 19,426 | 19,414 | 0 | (19) | 0 | 0 | XXX | XXX | XXX | 146 | 1,748 | XXX | XXX |
| 5699999 - Total - Defined Multi-Class Residential Mortgage-Backed Securities | | | | | | 52,084,164 | .XXX | 52,165,318 | 51,698,791 | 51,961,168 | 0 | (92,390) | 0 | 0 | XXX | XXX | XXX | 222,577 | 2,195,811 | XXX | XXX |
| 5799999 - Total - Other Multi-Class Residential Mortgage-Backed Securities | | | | | | 0 | .XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | XXX | XXX | 0 | 0 | XXX | XXX |
| 5899999 - Total - Defined Multi-Class Commercial Mortgage-Backed Securities | | | | | | 0 | .XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | XXX | XXX | 0 | 0 | XXX | XXX |
| 5999999 - Total - Other Multi-Class Commercial Mortgage-Backed Securities | | | | | | 0 | .XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX | XXX | XXX | 0 | 0 | XXX | XXX |
| 6099999 Totals | | | | | | 190,904,879 | XXX | 192,599,298 | 188,941,217 | 190,395,262 | 0 | (293,279) | 0 | 0 | XXX | XXX | XXX | 1,867,180 | 7,378,412 | XXX | XXX |

E08.3

Schedule D - Part 2 - Section 1

NONE

Schedule D - Part 2 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---------|---------------|------------------------------|---------------------------|-------------|------------|---|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends |
| BONDS | | | | | | | | |
| US Governments | | | | | | | | |
| 3128X2-MG-7 | Freddie Mac 4.550% 01/20/11 | D | 01/06/2004 | NBC Capital Markets Group | | 1,000,000 | 1,000,000 | |
| 3128X3-SL-8 | FHLMC 4.375% 07/30/09 | D | 07/28/2004 | NBC Capital Markets Group | | 997,500 | 1,000,000 | |
| 31331L-GZ-5 | Federal Farm Credit Bank 5.400% 05/10/06 | D | 04/29/2004 | Legg Mason | | 527,445 | 500,000 | 12,750 |
| 3133X9-CS-7 | Federal Home Loan Bank 5.040% 11/19/14 | D | 11/24/2004 | Legg Mason | | 999,063 | 1,000,000 | 1,400 |
| 3134A4-RU-0 | FHLMC Subordinate 5.250% 11/05/12 | D | 04/15/2004 | NBC Capital Markets Group | | 1,006,100 | 1,000,000 | 23,479 |
| 3134A4-UM-4 | FHLMC 4.500% 01/15/14 | D | 01/14/2004 | Salomon Smith Barney (Bonds) | | 998,490 | 1,000,000 | |
| 912828-AN-0 | U.S. Treasury 3.000% 11/15/07 | D | 12/22/2004 | Salomon Smith Barney (Bonds) | | 1,988,750 | 2,000,000 | 6,298 |
| 912828-BR-0 | U.S. Treasury 4.250% 11/15/13 | D | 08/12/2004 | Legg Mason | | 3,994,375 | 4,000,000 | 41,576 |
| 912828-BT-6 | U.S. Treasury 3.375% 12/15/08 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 4,975,781 | 5,000,000 | 6,954 |
| 912828-CX-6 | U.S. Treasury 3.375% 10/15/09 | D | 12/29/2004 | NBC Capital Markets Group | | 4,936,328 | 5,000,000 | 35,234 |
| 912828-DE-7 | U.S. Treasury 3.500% 12/15/09 | D | 12/21/2004 | NBC Capital Markets Group | | 2,991,563 | 3,000,000 | 2,019 |
| 0399999 - Total - Bonds - U.S. Government | | | | | | 24,415,394 | 24,500,000 | 129,710 |
| Special Revenue & Assessment | | | | | | | | |
| 31392F-FA-0 | FNMA 2002-73 OD 5.000% 06/25/16 | D | 01/08/2004 | Salomon Smith Barney (Bonds) | | 1,020,313 | 1,000,000 | 1,667 |
| 31392J-LB-3 | FNMA 2003-15 CN 5.000% 03/25/18 | D | 02/19/2004 | Salomon Smith Barney (Bonds) | | 986,294 | 995,000 | 3,178 |
| 31393A-GZ-7 | FNMA 2003-24 LC 5.000% 12/25/15 | D | 06/07/2004 | NBC Capital Markets Group | | 1,250,000 | 1,250,000 | 1,563 |
| 31393B-WE-1 | FNMA 2003-42 HC 4.500% 12/25/17 | D | 07/20/2004 | NBC Capital Markets Group | | 1,326,686 | 1,325,443 | 3,645 |
| 31393K-F7-5 | FHLMC 2572 HG 4.500% 02/15/17 | D | 04/22/2004 | Salomon Smith Barney (Bonds) | | 990,625 | 1,000,000 | 3,125 |
| 31393K-FA-8 | FHLMC 2572 HK 4.000% 02/15/17 | D | 12/21/2004 | Legg Mason | | 994,844 | 1,000,000 | 2,889 |
| 31393Q-PE-6 | FHLMC 2614 UD 5.500% 06/15/31 | D | 04/13/2004 | Salomon Smith Barney (Bonds) | | 374,531 | 375,000 | 859 |
| 31393R-BS-8 | FHLMC 2617-TK 4.500% 05/15/18 | D | 01/22/2004 | Salomon Smith Barney (Bonds) | | 973,438 | 1,000,000 | 3,250 |
| 31393U-L4-3 | FNMA 2003-129 ME 5.000% 08/25/23 | D | 01/26/2004 | Salomon Smith Barney (Bonds) | | 992,813 | 1,000,000 | 3,889 |
| 31393W-ML-0 | FHLMC 2644-BC 5.000% 10/15/31 | D | 02/18/2004 | Salomon Smith Barney (Bonds) | | 996,875 | 1,000,000 | 3,056 |
| 31393X-RT-6 | FNMA 2004-25 TA 5.500% 07/25/33 | D | 04/13/2004 | Salomon Smith Barney (Bonds) | | 773,547 | 775,000 | 1,776 |
| 31394M-MJ-6 | FHLMC 2716-GH 5.000% 04/15/32 | D | 01/23/2004 | NBC Capital Markets Group | | 1,652,895 | 1,656,000 | 6,210 |
| 31394N-4U-9 | FHLMC 2713 EG 5.500% 08/15/29 | D | 05/19/2004 | Salomon Smith Barney (Bonds) | | 1,005,156 | 1,000,000 | 3,514 |
| 31394N-VE-5 | FHLMC 2733-YL 5.500% 06/15/33 | D | 01/29/2004 | Salomon Smith Barney (Bonds) | | 923,266 | 925,000 | 4,098 |
| 31394X-MU-7 | FHLMC 2780 E 5.000% 04/15/19 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 992,813 | 1,000,000 | 4,167 |
| 31395E-H7-5 | FHLMC 2851-CG 5.000% 08/15/22 | D | 10/20/2004 | Salomon Smith Barney (Bonds) | | 810,257 | 815,353 | 2,718 |
| 31395G-B4-3 | FHLMC 2852-HB 4.500% 08/15/30 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 983,125 | 1,000,000 | 3,750 |
| 31395K-GF-4 | FHLMC 2904-CB 5.000% 12/15/19 | D | 12/29/2004 | Legg Mason | | 997,500 | 1,000,000 | 4,028 |
| 38374B-3V-3 | GNMA 2003-77 TG 5.000% 05/16/30 | D | 01/09/2004 | Salomon Smith Barney (Bonds) | | 1,015,313 | 1,000,000 | 1,806 |
| 38374E-UX-3 | GNMA 2003-98 TD 4.500% 04/20/30 | D | 11/19/2004 | Legg Mason | | 987,188 | 1,000,000 | 2,875 |
| 38374H-CK-4 | GNMA 2004-47 QD 5.000% 08/16/33 | D | 11/02/2004 | Salomon Smith Barney (Bonds) | | 995,625 | 1,000,000 | 4,028 |
| 3199999 - Total - Bonds - Special Revenue | | | | | | 21,043,100 | 21,116,796 | 66,089 |
| Public Utilities (unaffiliated) | | | | | | | | |
| 362337-AM-9 | GTE NORTH INC 5.650% 11/15/08 | D | 06/24/2004 | Legg Mason | | 1,570,785 | 1,500,000 | 9,417 |
| 3899999 - Total - Bonds - Public Utilities | | | | | | 1,570,785 | 1,500,000 | 9,417 |
| Industrial & Miscellaneous | | | | | | | | |
| 060505-BF-0 | BankAmerica Corporation/New 4.375% 12/01/10 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 1,004,880 | 1,000,000 | 3,646 |
| 10513Q-BD-2 | Branch Banking & Trust 4.875% 01/15/13 | D | 04/29/2004 | Legg Mason | | 579,657 | 590,000 | 8,389 |
| 191219-BF-0 | Coca-Cola Enterprises 5.750% 11/01/08 | D | 04/29/2004 | Legg Mason | | 267,865 | 250,000 | 7,148 |
| 22541L-AM-5 | Credit Suisse FB 5.125% 01/15/14 | D | 01/23/2004 | Salomon Smith Barney (Bonds) | | 1,015,010 | 1,000,000 | 2,705 |
| 291011-AG-9 | Emerson Electric Co. 5.000% 10/15/08 | D | 04/29/2004 | Legg Mason | | 207,948 | 200,000 | 417 |
| 369622-CM-5 | General Electric Cap. Corp 8.750% 05/21/07 | D | 10/27/2004 | Salomon Smith Barney (Bonds) | | 284,083 | 250,000 | 9,601 |
| 38141G-DK-7 | Goldman Sachs Group Inc 4.750% 07/15/13 | D | 12/20/2004 | NBC Capital Markets Group | | 1,988,140 | 2,000,000 | 41,694 |
| 524660-AU-1 | Leggett & Platt Inc. 4.650% 11/15/14 | D | 11/04/2004 | NBC Capital Markets Group | | 999,680 | 1,000,000 | |
| 52517P-VV-0 | Lehman Brothers Holdings 4.800% 03/13/14 | D | 11/23/2004 | Legg Mason | | 996,220 | 1,000,000 | 10,133 |
| 54866N-BN-8 | Lowe's Companies Inc MTN 6.700% 09/01/07 | D | 08/12/2004 | NBC Capital Markets Group | | 1,094,950 | 1,000,000 | 30,894 |
| 61744A-AN-0 | Morgan Stanley 4.250% 05/15/10 | D | 12/29/2004 | NBC Capital Markets Group | | 1,499,715 | 1,500,000 | 8,146 |
| 71345L-EJ-3 | Pepsico Inc 3.200% 05/15/07 | D | 05/03/2004 | Salomon Smith Barney (Bonds) | | 1,997,820 | 2,000,000 | |
| 717081-AR-4 | Pfizer Inc. 4.500% 02/15/14 | D | 07/21/2004 | Legg Mason | | 970,260 | 1,000,000 | 21,625 |
| 742718-DB-2 | Procter & Gamble Co. 5.800% 08/15/34 | D | 08/04/2004 | Salomon Smith Barney (Bonds) | | 998,290 | 1,000,000 | |
| 75913L-AC-5 | Regions Bank 2.900% 12/15/06 | D | 12/10/2004 | Legg Mason | | 993,650 | 1,000,000 | |
| 867914-AX-1 | SunTrust Banks Inc. 4.000% 10/15/08 | D | 08/04/2004 | NBC Capital Markets Group | | 997,680 | 1,000,000 | |
| 949746-JJ-1 | Wells Fargo & Company 4.200% 01/15/10 | D | 12/21/2004 | Legg Mason | | 2,012,700 | 2,000,000 | 4,900 |
| 98151G-AA-3 | World Savings Bank FSB 4.125% 12/15/09 | D | 12/21/2004 | NBC Capital Markets Group | | 1,004,530 | 1,000,000 | 2,177 |
| 4599999 - Total - Bonds - Industrial, Misc. | | | | | | 18,913,078 | 18,790,000 | 151,475 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---------|---------------|------------------------------|---------------------------|-------------|------------|---|
| CUSIP Identification | Description | Foreign | Date Acquired | Name of Vendor | Number of Shares of Stock | Actual Cost | Par Value | Paid for Accrued Interest and Dividends |
| BONDS | | | | | | | | |
| US Governments | | | | | | | | |
| 3128X2-MG-7 | Freddie Mac 4.550% 01/20/11 | D | 01/06/2004 | NBC Capital Markets Group | | 1,000,000 | 1,000,000 | |
| 3128X3-SL-8 | FHLMC 4.375% 07/30/09 | D | 07/28/2004 | NBC Capital Markets Group | | 997,500 | 1,000,000 | |
| 31331L-GZ-5 | Federal Farm Credit Bank 5.400% 05/10/06 | D | 04/29/2004 | Legg Mason | | 527,445 | 500,000 | 12,750 |
| 3133X9-CS-7 | Federal Home Loan Bank 5.040% 11/19/14 | D | 11/24/2004 | Legg Mason | | 999,063 | 1,000,000 | 1,400 |
| 3134A4-RU-0 | FHLMC Subordinate 5.250% 11/05/12 | D | 04/15/2004 | NBC Capital Markets Group | | 1,006,100 | 1,000,000 | 23,479 |
| 3134A4-UM-4 | FHLMC 4.500% 01/15/14 | D | 01/14/2004 | Salomon Smith Barney (Bonds) | | 998,490 | 1,000,000 | |
| 912828-AN-0 | U.S. Treasury 3.000% 11/15/07 | D | 12/22/2004 | Salomon Smith Barney (Bonds) | | 1,988,750 | 2,000,000 | 6,298 |
| 912828-BR-0 | U.S. Treasury 4.250% 11/15/13 | D | 08/12/2004 | Legg Mason | | 3,994,375 | 4,000,000 | 41,576 |
| 912828-BT-6 | U.S. Treasury 3.375% 12/15/08 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 4,975,781 | 5,000,000 | 6,954 |
| 912828-CX-6 | U.S. Treasury 3.375% 10/15/09 | D | 12/29/2004 | NBC Capital Markets Group | | 4,936,328 | 5,000,000 | 35,234 |
| 912828-DE-7 | U.S. Treasury 3.500% 12/15/09 | D | 12/21/2004 | NBC Capital Markets Group | | 2,991,563 | 3,000,000 | 2,019 |
| 0399999 - Total - Bonds - U.S. Government | | | | | | 24,415,394 | 24,500,000 | 129,710 |
| Special Revenue & Assessment | | | | | | | | |
| 31392F-FA-0 | FNMA 2002-73 OD 5.000% 06/25/16 | D | 01/08/2004 | Salomon Smith Barney (Bonds) | | 1,020,313 | 1,000,000 | 1,667 |
| 31392J-LB-3 | FNMA 2003-15 CN 5.000% 03/25/18 | D | 02/19/2004 | Salomon Smith Barney (Bonds) | | 986,294 | 995,000 | 3,178 |
| 31393A-GZ-7 | FNMA 2003-24 LC 5.000% 12/25/15 | D | 06/07/2004 | NBC Capital Markets Group | | 1,250,000 | 1,250,000 | 1,563 |
| 31393B-WE-1 | FNMA 2003-42 HC 4.500% 12/25/17 | D | 07/20/2004 | NBC Capital Markets Group | | 1,326,686 | 1,325,443 | 3,645 |
| 31393K-F7-5 | FHLMC 2572 HG 4.500% 02/15/17 | D | 04/22/2004 | Salomon Smith Barney (Bonds) | | 990,625 | 1,000,000 | 3,125 |
| 31393K-FA-8 | FHLMC 2572 HK 4.000% 02/15/17 | D | 12/21/2004 | Legg Mason | | 994,844 | 1,000,000 | 2,889 |
| 31393Q-PE-6 | FHLMC 2614 UD 5.500% 06/15/31 | D | 04/13/2004 | Salomon Smith Barney (Bonds) | | 374,531 | 375,000 | 859 |
| 31393R-BS-8 | FHLMC 2617-TK 4.500% 05/15/18 | D | 01/22/2004 | Salomon Smith Barney (Bonds) | | 973,438 | 1,000,000 | 3,250 |
| 31393U-L4-3 | FNMA 2003-129 ME 5.000% 08/25/23 | D | 01/26/2004 | Salomon Smith Barney (Bonds) | | 992,813 | 1,000,000 | 3,889 |
| 31393W-ML-0 | FHLMC 2644-BC 5.000% 10/15/31 | D | 02/18/2004 | Salomon Smith Barney (Bonds) | | 996,875 | 1,000,000 | 3,056 |
| 31393X-RT-6 | FNMA 2004-25 TA 5.500% 07/25/33 | D | 04/13/2004 | Salomon Smith Barney (Bonds) | | 773,547 | 775,000 | 1,776 |
| 31394M-MJ-6 | FHLMC 2716-GH 5.000% 04/15/32 | D | 01/23/2004 | NBC Capital Markets Group | | 1,652,895 | 1,656,000 | 6,210 |
| 31394N-4U-9 | FHLMC 2713 EG 5.500% 08/15/29 | D | 05/19/2004 | Salomon Smith Barney (Bonds) | | 1,005,156 | 1,000,000 | 3,514 |
| 31394N-VE-5 | FHLMC 2733-YL 5.500% 06/15/33 | D | 01/29/2004 | Salomon Smith Barney (Bonds) | | 923,266 | 925,000 | 4,098 |
| 31394X-MU-7 | FHLMC 2780 E 5.000% 04/15/19 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 992,813 | 1,000,000 | 4,167 |
| 31395E-H7-5 | FHLMC 2851-CG 5.000% 08/15/22 | D | 10/20/2004 | Salomon Smith Barney (Bonds) | | 810,257 | 815,353 | 2,718 |
| 31395G-B4-3 | FHLMC 2852-HB 4.500% 08/15/30 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 983,125 | 1,000,000 | 3,750 |
| 31395K-GF-4 | FHLMC 2904-CB 5.000% 12/15/19 | D | 12/29/2004 | Legg Mason | | 997,500 | 1,000,000 | 4,028 |
| 38374B-3V-3 | GNMA 2003-77 TG 5.000% 05/16/30 | D | 01/09/2004 | Salomon Smith Barney (Bonds) | | 1,015,313 | 1,000,000 | 1,806 |
| 38374E-UX-3 | GNMA 2003-98 TD 4.500% 04/20/30 | D | 11/19/2004 | Legg Mason | | 987,188 | 1,000,000 | 2,875 |
| 38374H-CK-4 | GNMA 2004-47 QD 5.000% 08/16/33 | D | 11/02/2004 | Salomon Smith Barney (Bonds) | | 995,625 | 1,000,000 | 4,028 |
| 3199999 - Total - Bonds - Special Revenue | | | | | | 21,043,100 | 21,116,796 | 66,089 |
| Public Utilities (unaffiliated) | | | | | | | | |
| 362337-AM-9 | GTE NORTH INC 5.650% 11/15/08 | D | 06/24/2004 | Legg Mason | | 1,570,785 | 1,500,000 | 9,417 |
| 3899999 - Total - Bonds - Public Utilities | | | | | | 1,570,785 | 1,500,000 | 9,417 |
| Industrial & Miscellaneous | | | | | | | | |
| 060505-BF-0 | BankAmerica Corporation/New 4.375% 12/01/10 | D | 12/29/2004 | Salomon Smith Barney (Bonds) | | 1,004,880 | 1,000,000 | 3,646 |
| 10513Q-BD-2 | Branch Banking & Trust 4.875% 01/15/13 | D | 04/29/2004 | Legg Mason | | 579,657 | 590,000 | 8,389 |
| 191219-BF-0 | Coca-Cola Enterprises 5.750% 11/01/08 | D | 04/29/2004 | Legg Mason | | 267,865 | 250,000 | 7,148 |
| 22541L-AM-5 | Credit Suisse FB 5.125% 01/15/14 | D | 01/23/2004 | Salomon Smith Barney (Bonds) | | 1,015,010 | 1,000,000 | 2,705 |
| 291011-AG-9 | Emerson Electric Co. 5.000% 10/15/08 | D | 04/29/2004 | Legg Mason | | 207,948 | 200,000 | 417 |
| 369622-CM-5 | General Electric Cap. Corp 8.750% 05/21/07 | D | 10/27/2004 | Salomon Smith Barney (Bonds) | | 284,083 | 250,000 | 9,601 |
| 38141G-DK-7 | Goldman Sachs Group Inc 4.750% 07/15/13 | D | 12/20/2004 | NBC Capital Markets Group | | 1,988,140 | 2,000,000 | 41,694 |
| 524660-AU-1 | Leggett & Platt Inc. 4.650% 11/15/14 | D | 11/04/2004 | NBC Capital Markets Group | | 999,680 | 1,000,000 | |
| 52517P-VV-0 | Lehman Brothers Holdings 4.800% 03/13/14 | D | 11/23/2004 | Legg Mason | | 996,220 | 1,000,000 | 10,133 |
| 54866N-BN-8 | Lowe's Companies Inc MTN 6.700% 09/01/07 | D | 08/12/2004 | NBC Capital Markets Group | | 1,094,950 | 1,000,000 | 30,894 |
| 61744A-AN-0 | Morgan Stanley 4.250% 05/15/10 | D | 12/29/2004 | NBC Capital Markets Group | | 1,499,715 | 1,500,000 | 8,146 |
| 71345L-EJ-3 | Pepsico Inc 3.200% 05/15/07 | D | 05/03/2004 | Salomon Smith Barney (Bonds) | | 1,997,820 | 2,000,000 | |
| 717081-AR-4 | Pfizer Inc. 4.500% 02/15/14 | D | 07/21/2004 | Legg Mason | | 970,260 | 1,000,000 | 21,625 |
| 742718-DB-2 | Procter & Gamble Co. 5.800% 08/15/34 | D | 08/04/2004 | Salomon Smith Barney (Bonds) | | 998,290 | 1,000,000 | |
| 75913L-AC-5 | Regions Bank 2.900% 12/15/06 | D | 12/10/2004 | Legg Mason | | 993,650 | 1,000,000 | |
| 867914-AX-1 | SunTrust Banks Inc. 4.000% 10/15/08 | D | 08/04/2004 | NBC Capital Markets Group | | 997,680 | 1,000,000 | |
| 949746-JJ-1 | Wells Fargo & Company 4.200% 01/15/10 | D | 12/21/2004 | Legg Mason | | 2,012,700 | 2,000,000 | 4,900 |
| 98151G-AA-3 | World Savings Bank FSB 4.125% 12/15/09 | D | 12/21/2004 | NBC Capital Markets Group | | 1,004,530 | 1,000,000 | 2,177 |
| 4599999 - Total - Bonds - Industrial, Misc. | | | | | | 18,913,078 | 18,790,000 | 151,475 |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

| 1 | 2 | | 3 F o r e i g n | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | |
|----------------|------------------------------|-------------|--------------------------------------|------------------|-------------------|---------------------------------|---------------|-----------|-------------|--|--|--|---|--|---|--|---|--|-------------------------------------|--|------------------|--------------|
| | CUSIP Identi- fication | Description | | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B/A. C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B/A. C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Maturity Date | |
| BONDS | | | | | | | | | | | | | | | | | | | | | | |
| US Governments | | | | | | | | | | | | | | | | | | | | | | |
| 3128X0-UR-8.. | Freddie Mac | 3.500% | 01/07/08.. | D.. | 01/07/2004.. | Call | 100.0000.. | | 1,000,000 | 996,875 | | | | 15 | | 997,441 | | | 2,559 | 2,559 | 17,500 | 01/07/2008.. |
| 312925-W7-1.. | Freddie Mac | 5.125% | 08/20/12.. | D.. | 08/20/2004.. | Call | 100.0000.. | | 1,000,000 | 998,125 | | | | 170 | | 998,333 | | | 1,667 | 1,667 | 51,250 | 08/20/2012.. |
| 3133MK-EC-7.. | Federal Home Loan Bank | 4.125% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 11/15/2004.. | Maturity.. | | | 1,000,000 | 999,860 | | | 82 | | 82 | 1,000,000 | | | | | 41,250 | 11/15/2004.. |
| 3133X0-ZE-2.. | Federal Home Loan Bank | 4.000% | | | | | | | | | | | | | | | | | | | | |
| 3133X0-ZE-2.. | | | 09/23/10.. | D.. | 03/23/2004.. | Call | 100.0000.. | | 1,000,000 | 1,000,000 | | | 49 | | 49 | 1,000,000 | | | | | 20,000 | 09/23/2010.. |
| 31359M-KF-9.. | Fannie Mae | 6.250% | 07/19/11.. | D.. | 07/19/2004.. | Call | 100.0000.. | | 1,000,000 | 992,410 | | | 400 | | 400 | 994,212 | | | 5,788 | 5,788 | 62,500 | 07/19/2011.. |
| 3136F0-Z4-7.. | Fannie Mae | 4.450% | 11/08/06.. | D.. | 11/08/2004.. | Call | 100.0000.. | | 2,000,000 | 1,944,375 | | | 9,843 | | 9,843 | 1,975,481 | | | 24,519 | 24,519 | 89,000 | 11/08/2006.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 01/01/2004.. | Paydown.. | | | 1,529 | 1,529 | | | (4) | | (4) | 1,529 | | | | | 13 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 02/01/2004.. | Paydown.. | | | 1,551 | 1,551 | | | (4) | | (4) | 1,551 | | | | | 26 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 03/01/2004.. | Paydown.. | | | 1,563 | 1,563 | | | (4) | | (4) | 1,563 | | | | | 39 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 04/01/2004.. | Paydown.. | | | 1,580 | 1,580 | | | (4) | | (4) | 1,580 | | | | | 53 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 05/01/2004.. | Paydown.. | | | 1,604 | 1,604 | | | (4) | | (4) | 1,604 | | | | | 67 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 06/01/2004.. | Paydown.. | | | 1,332 | 1,332 | | | (4) | | (4) | 1,332 | | | | | 67 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 07/01/2004.. | Paydown.. | | | 3,051 | 3,051 | | | (8) | | (8) | 3,051 | | | | | 178 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 08/01/2004.. | Paydown.. | | | 728 | 728 | | | (2) | | (2) | 728 | | | | | 49 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 09/01/2004.. | Paydown.. | | | 737 | 737 | | | (2) | | (2) | 737 | | | | | 55 | 11/15/2004.. |
| 36217L-FH-4.. | GNMA Pool #0196468 | 10.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 11/15/04.. | D.. | 10/01/2004.. | Paydown.. | | | 214 | 214 | | | (1) | | (1) | 214 | | | | | 18 | 11/15/2004.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 01/01/2004.. | Paydown.. | | | 39 | 39 | | | | | 0 | 39 | | | | | | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 02/01/2004.. | Paydown.. | | | 39 | 39 | | | | | 0 | 39 | | | | 1 | 07/15/2017.. | |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 03/01/2004.. | Paydown.. | | | 39 | 39 | | | | | 0 | 39 | | | | | 1 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 04/01/2004.. | Paydown.. | | | 41 | 41 | | | | | 0 | 41 | | | | | 1 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 05/01/2004.. | Paydown.. | | | 39 | 39 | | | | | 0 | 39 | | | | | 1 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 06/01/2004.. | Paydown.. | | | 40 | 40 | | | | | 0 | 40 | | | | | 2 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 07/01/2004.. | Paydown.. | | | 41 | 41 | | | | | 0 | 41 | | | | | 2 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 08/01/2004.. | Paydown.. | | | 41 | 41 | | | | | 0 | 41 | | | | | 2 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 09/01/2004.. | Paydown.. | | | 41 | 41 | | | | | 0 | 41 | | | | | 3 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 10/01/2004.. | Paydown.. | | | 42 | 42 | | | | | 0 | 42 | | | | | 3 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 11/01/2004.. | Paydown.. | | | 42 | 42 | | | | | 0 | 42 | | | | | 3 | 07/15/2017.. |
| 36218S-SV-3.. | GNMA Pool #0231032 | 9.000% | | | | | | | | | | | | | | | | | | | | |
| | | | 07/15/17.. | D.. | 12/01/2004.. | Paydown.. | | | 41 | 41 | | | | | 0 | 41 | | | | | 4 | 07/15/2017.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 01/01/2004.. | Paydown.. | | | 201 | 201 | | | | | 0 | 201 | | | | | 2 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 02/01/2004.. | Paydown.. | | | 344 | 344 | | | 1 | | 1 | 344 | | | | | 5 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 03/01/2004.. | Paydown.. | | | 180 | 180 | | | | | 0 | 180 | | | | | 4 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 04/01/2004.. | Paydown.. | | | 239 | 239 | | | | | 0 | 239 | | | | | 8 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 05/01/2004.. | Paydown.. | | | 103 | 103 | | | | | 0 | 103 | | | | | 4 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 06/01/2004.. | Paydown.. | | | 104 | 104 | | | | | 0 | 104 | | | | | 5 | 09/15/2004.. |
| 36220E-5X-1.. | GNMA Pool #0276362 | 9.500% | | | | | | | | | | | | | | | | | | | | |
| | | | 09/15/04.. | D.. | 07/01/2004.. | Paydown.. | | | 171 | 171 | | | | | 0 | 171 | | | | | 10 | 09/15/2004.. |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 |
|------------------------------------|---------------------------------------|---------------------------------|------------------|-------------------|---------------------------------|---------------|--------------|--------------|--|--|--|---|--|---|--|---|--|-------------------------------------|--|------------------|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | |
| CUSIP Identi- fication | Description | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B/A. C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B/A. C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Maturity Date |
| 36220E-5X-1.. | GNMA Pool #0276362 9.500% 09/15/04 | | D..08/01/2004.. | Paydown..... | | ..46 | ..46 | ..47 | ..46 | | | | ..0 | | ..46 | | | ..0 | ..3 | ..09/15/2004.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..01/01/2004.. | Paydown..... | | ..57 | ..57 | ..57 | ..57 | | | | ..0 | | ..57 | | | ..0 | | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..02/01/2004.. | Paydown..... | | ..56 | ..56 | ..56 | ..56 | | | | ..0 | | ..56 | | | ..0 | ..1 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..03/01/2004.. | Paydown..... | | ..57 | ..57 | ..57 | ..57 | | | | ..0 | | ..57 | | | ..0 | ..1 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..04/01/2004.. | Paydown..... | | ..77 | ..77 | ..77 | ..77 | | | | ..0 | | ..77 | | | ..0 | ..2 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..05/01/2004.. | Paydown..... | | ..54 | ..54 | ..54 | ..54 | | | | ..0 | | ..54 | | | ..0 | ..2 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..06/01/2004.. | Paydown..... | | ..57 | ..57 | ..57 | ..57 | | | | ..0 | | ..57 | | | ..0 | ..3 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..07/01/2004.. | Paydown..... | | ..820 | ..820 | ..821 | ..821 | | | | ..0 | | ..820 | | | ..0 | ..43 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..08/01/2004.. | Paydown..... | | ..56 | ..56 | ..56 | ..56 | | | | ..0 | | ..56 | | | ..0 | ..3 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..09/01/2004.. | Paydown..... | | ..1,677 | ..1,677 | ..1,678 | ..1,678 | | (1) | | (1) | | ..1,677 | | | ..0 | ..113 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..10/01/2004.. | Paydown..... | | ..68 | ..68 | ..69 | ..69 | | | | ..0 | | ..68 | | | ..0 | ..5 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0283327 9.000% 12/15/19 | | D..11/01/2004.. | Paydown..... | | ..817 | ..817 | ..818 | ..818 | | | | ..0 | | ..817 | | | ..0 | ..67 | ..12/15/2019.. |
| 36220N-VU-8.. | GNMA Pool #0291999 9.000% 12/15/19 | | D..12/01/2004.. | Paydown..... | | ..51 | ..51 | ..51 | ..51 | | | | ..0 | | ..51 | | | ..0 | ..5 | ..12/15/2019.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..01/01/2004.. | Paydown..... | | ..184 | ..184 | ..184 | ..184 | | | | ..0 | | ..184 | | | ..0 | ..1 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..02/01/2004.. | Paydown..... | | ..185 | ..185 | ..186 | ..185 | | | | ..0 | | ..185 | | | ..0 | ..3 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..03/01/2004.. | Paydown..... | | ..187 | ..187 | ..187 | ..187 | | | | ..0 | | ..187 | | | ..0 | ..4 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..04/01/2004.. | Paydown..... | | ..188 | ..188 | ..189 | ..188 | | | | ..0 | | ..188 | | | ..0 | ..6 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..05/01/2004.. | Paydown..... | | ..190 | ..190 | ..190 | ..190 | | | | ..0 | | ..190 | | | ..0 | ..7 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..06/01/2004.. | Paydown..... | | ..191 | ..191 | ..192 | ..191 | | | | ..0 | | ..191 | | | ..0 | ..9 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..07/01/2004.. | Paydown..... | | ..193 | ..193 | ..193 | ..193 | | | | ..0 | | ..193 | | | ..0 | ..10 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..08/01/2004.. | Paydown..... | | ..194 | ..194 | ..195 | ..194 | | | | ..0 | | ..194 | | | ..0 | ..12 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..09/01/2004.. | Paydown..... | | ..196 | ..196 | ..196 | ..196 | | | | ..0 | | ..196 | | | ..0 | ..13 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..10/01/2004.. | Paydown..... | | ..197 | ..197 | ..198 | ..198 | | | | ..0 | | ..197 | | | ..0 | ..15 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..11/01/2004.. | Paydown..... | | ..199 | ..199 | ..199 | ..199 | | | | ..0 | | ..199 | | | ..0 | ..16 | ..10/15/2005.. |
| 36220Y-KL-6.. | GNMA Pool #0291999 9.000% 10/15/05 | | D..12/01/2004.. | Paydown..... | | ..200 | ..200 | ..201 | ..201 | | | | ..0 | | ..200 | | | ..0 | ..18 | ..10/15/2005.. |
| 912827-5M-0.. | U S Treasury Note 6.000% 08/15/04 | | D..08/15/2004.. | Maturity..... | | ..50,000 | ..50,000 | ..49,852 | ..49,974 | | ..26 | | ..26 | | ..50,000 | | | ..0 | ..3,000 | ..08/15/2004.. |
| 912827-5M-0.. | U S Treasury Note 6.000% 08/15/04 | | D..08/15/2004.. | Maturity..... | | ..3,450,000 | ..3,450,000 | ..3,529,523 | ..3,472,823 | | (22,823) | | (22,823) | | ..3,450,000 | | | ..0 | ..207,000 | ..08/15/2004.. |
| 0399999 - Bonds - U.S. Governments | | | | | | ..10,521,913 | ..10,521,913 | ..10,533,425 | ..10,499,655 | ..0 | (12,275) | ..0 | (12,275) | ..0 | ..10,487,380 | ..0 | ..34,533 | ..34,533 | ..492,488 | ..XXX |
| Special Revenue & Assessment | | | | | | | | | | | | | | | | | | | | |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..01/01/2004.. | Paydown..... | | ..23,149 | ..23,149 | ..22,339 | ..22,962 | | ..188 | | ..188 | | ..23,149 | | | ..0 | ..125 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..02/01/2004.. | Paydown..... | | ..22,363 | ..22,363 | ..21,580 | ..22,182 | | ..181 | | ..181 | | ..22,363 | | | ..0 | ..242 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..03/01/2004.. | Paydown..... | | ..22,940 | ..22,940 | ..22,137 | ..22,754 | | ..186 | | ..186 | | ..22,940 | | | ..0 | ..373 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..04/01/2004.. | Paydown..... | | ..19,857 | ..19,857 | ..19,162 | ..19,696 | | ..161 | | ..161 | | ..19,857 | | | ..0 | ..430 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..05/01/2004.. | Paydown..... | | ..25,459 | ..25,459 | ..24,568 | ..25,253 | | ..207 | | ..207 | | ..25,459 | | | ..0 | ..690 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..06/01/2004.. | Paydown..... | | ..22,423 | ..22,423 | ..21,639 | ..22,241 | | ..182 | | ..182 | | ..22,423 | | | ..0 | ..729 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..07/01/2004.. | Paydown..... | | ..19,970 | ..19,970 | ..19,271 | ..19,808 | | ..162 | | ..162 | | ..19,970 | | | ..0 | ..757 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..08/01/2004.. | Paydown..... | | ..19,075 | ..19,075 | ..18,408 | ..18,920 | | ..155 | | ..155 | | ..19,075 | | | ..0 | ..827 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..09/01/2004.. | Paydown..... | | ..18,853 | ..18,853 | ..18,193 | ..18,700 | | ..153 | | ..153 | | ..18,853 | | | ..0 | ..919 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..10/01/2004.. | Paydown..... | | ..18,440 | ..18,440 | ..17,795 | ..18,291 | | ..150 | | ..150 | | ..18,440 | | | ..0 | ..999 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..11/01/2004.. | Paydown..... | | ..15,324 | ..15,324 | ..14,788 | ..15,200 | | ..124 | | ..124 | | ..15,324 | | | ..0 | ..913 | ..09/15/2007.. |
| 312911-T8-3.. | FHLMC 1369- H 6.500% 09/15/07..... | | D..12/01/2004.. | Paydown..... | | ..15,613 | ..15,613 | ..15,067 | ..15,487 | | ..127 | | ..127 | | ..15,613 | | | ..0 | ..1,015 | ..09/15/2007.. |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 |
|------------------------------|-------------------------------------|---------------------------------|------------------|-------------------|---------------------------------|---------------|-----------|-------------|--|--|--|---|--|---|--|---|--|-------------------------------------|--|------------------|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | |
| CUSIP Identifi- cation | Description | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B/A. C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B/A. C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Maturity Date |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 01/01/2004.. | Paydown.. | | 18,551 | 18,551 | 18,225 | 18,444 | | 106 | | 106 | | 18,551 | | | .0 | 100 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 02/01/2004.. | Paydown.. | | 20,261 | 20,261 | 19,905 | 20,145 | | 116 | | 116 | | 20,261 | | | .0 | 219 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 03/01/2004.. | Paydown.. | | 19,635 | 19,635 | 19,291 | 19,523 | | 112 | | 112 | | 19,635 | | | .0 | 319 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 04/01/2004.. | Paydown.. | | 18,107 | 18,107 | 17,789 | 18,003 | | 104 | | 104 | | 18,107 | | | .0 | 392 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 05/01/2004.. | Paydown.. | | 21,785 | 21,785 | 21,402 | 21,660 | | 125 | | 125 | | 21,785 | | | .0 | 590 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 06/01/2004.. | Paydown.. | | 19,252 | 19,252 | 18,915 | 19,142 | | 110 | | 110 | | 19,252 | | | .0 | 626 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 07/01/2004.. | Paydown.. | | 17,997 | 17,997 | 17,681 | 17,894 | | 103 | | 103 | | 17,997 | | | .0 | 682 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 08/01/2004.. | Paydown.. | | 19,093 | 19,093 | 18,758 | 18,984 | | 109 | | 109 | | 19,093 | | | .0 | 827 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 09/01/2004.. | Paydown.. | | 15,332 | 15,332 | 15,063 | 15,244 | | 88 | | 88 | | 15,332 | | | .0 | 747 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 10/01/2004.. | Paydown.. | | 14,490 | 14,490 | 14,236 | 14,407 | | 83 | | 83 | | 14,490 | | | .0 | 785 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 11/01/2004.. | Paydown.. | | 14,604 | 14,604 | 14,348 | 14,520 | | 84 | | 84 | | 14,604 | | | .0 | 870 | 08/15/2007.. |
| 312912-KD-9.. | FHLMC 1385-H 6.500% 08/15/07..... | D.. | 12/01/2004.. | Paydown.. | | 13,939 | 13,939 | 13,694 | 13,859 | | 80 | | 80 | | 13,939 | | | .0 | 906 | 08/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 01/01/2004.. | Paydown.. | | 19,475 | 19,475 | 19,201 | 19,341 | | 134 | | 134 | | 19,475 | | | .0 | 114 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 02/01/2004.. | Paydown.. | | 21,145 | 21,145 | 20,847 | 20,999 | | 146 | | 146 | | 21,145 | | | .0 | 247 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 03/01/2004.. | Paydown.. | | 19,683 | 19,683 | 19,407 | 19,548 | | 136 | | 136 | | 19,683 | | | .0 | 344 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 04/01/2004.. | Paydown.. | | 20,658 | 20,658 | 20,368 | 20,516 | | 142 | | 142 | | 20,658 | | | .0 | 482 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 05/01/2004.. | Paydown.. | | 17,335 | 17,335 | 17,092 | 17,216 | | 120 | | 120 | | 17,335 | | | .0 | 506 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 06/01/2004.. | Paydown.. | | 21,233 | 21,233 | 20,935 | 21,087 | | 146 | | 146 | | 21,233 | | | .0 | 743 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 07/01/2004.. | Paydown.. | | 16,602 | 16,602 | 16,368 | 16,487 | | 114 | | 114 | | 16,602 | | | .0 | 678 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 08/01/2004.. | Paydown.. | | 17,768 | 17,768 | 17,518 | 17,646 | | 122 | | 122 | | 17,768 | | | .0 | 829 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 09/01/2004.. | Paydown.. | | 18,724 | 18,724 | 18,461 | 18,595 | | 129 | | 129 | | 18,724 | | | .0 | 983 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 10/01/2004.. | Paydown.. | | 14,323 | 14,323 | 14,122 | 14,224 | | 99 | | 99 | | 14,323 | | | .0 | 836 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 11/01/2004.. | Paydown.. | | 14,780 | 14,780 | 14,573 | 14,679 | | 102 | | 102 | | 14,780 | | | .0 | 948 | 12/15/2007.. |
| 312913-4Q-6.. | FHLMC 1449 H 7.000% 12/15/07..... | D.. | 12/01/2004.. | Paydown.. | | 12,779 | 12,779 | 12,600 | 12,691 | | 88 | | 88 | | 12,779 | | | .0 | 895 | 12/15/2007.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 01/01/2004.. | Paydown.. | | 34,990 | 34,990 | 34,525 | 34,718 | | 272 | | 272 | | 34,990 | | | .0 | 182 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 02/01/2004.. | Paydown.. | | 33,944 | 33,944 | 33,493 | 33,680 | | 264 | | 264 | | 33,944 | | | .0 | 354 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 03/01/2004.. | Paydown.. | | 32,926 | 32,926 | 32,489 | 32,670 | | 256 | | 256 | | 32,926 | | | .0 | 514 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 04/01/2004.. | Paydown.. | | 31,935 | 31,935 | 31,511 | 31,687 | | 248 | | 248 | | 31,935 | | | .0 | 665 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 05/01/2004.. | Paydown.. | | 30,971 | 30,971 | 30,560 | 30,730 | | 241 | | 241 | | 30,971 | | | .0 | 807 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 06/01/2004.. | Paydown.. | | 30,033 | 30,033 | 29,634 | 29,799 | | 234 | | 234 | | 30,033 | | | .0 | 939 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 07/01/2004.. | Paydown.. | | 29,119 | 29,119 | 28,733 | 28,893 | | 227 | | 227 | | 29,119 | | | .0 | 1,062 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 08/01/2004.. | Paydown.. | | 28,231 | 28,231 | 27,856 | 28,011 | | 220 | | 220 | | 28,231 | | | .0 | 1,176 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 09/01/2004.. | Paydown.. | | 27,366 | 27,366 | 27,003 | 27,153 | | 213 | | 213 | | 27,366 | | | .0 | 1,283 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 10/01/2004.. | Paydown.. | | 26,525 | 26,525 | 26,173 | 26,319 | | 206 | | 206 | | 26,525 | | | .0 | 1,382 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 11/01/2004.. | Paydown.. | | 25,707 | 25,707 | 25,365 | 25,507 | | 200 | | 200 | | 25,707 | | | .0 | 1,473 | 04/15/2008.. |
| 312915-DN-8.. | FHLMC 1490- PH 6.250% 04/15/08..... | D.. | 12/01/2004.. | Paydown.. | | 24,910 | 24,910 | 24,579 | 24,716 | | 194 | | 194 | | 24,910 | | | .0 | 1,557 | 04/15/2008.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 01/01/2004.. | Paydown.. | | 49,881 | 49,881 | 48,884 | 49,461 | | 420 | | 420 | | 49,881 | | | .0 | 229 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 02/01/2004.. | Paydown.. | | 56,094 | 56,094 | 54,972 | 55,621 | | 473 | | 473 | | 56,094 | | | .0 | 514 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 03/01/2004.. | Paydown.. | | 58,117 | 58,117 | 56,955 | 57,627 | | 490 | | 490 | | 58,117 | | | .0 | 799 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 04/01/2004.. | Paydown.. | | 65,053 | 65,053 | 63,752 | 64,505 | | 548 | | 548 | | 65,053 | | | .0 | 1,193 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 05/01/2004.. | Paydown.. | | 90,543 | 90,543 | 88,732 | 89,780 | | 763 | | 763 | | 90,543 | | | .0 | 2,075 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 06/01/2004.. | Paydown.. | | 106,057 | 106,057 | 103,936 | 105,163 | | 894 | | 894 | | 106,057 | | | .0 | 2,917 | 04/15/2015.. |
| 31339L-SR-2.. | FHLMC 2390 WC 5.500% 04/15/15..... | D.. | 07/01/2004.. | Paydown.. | | 33,763 | 33,763 | 3 | | | | | | | | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

| | | 2 | | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 |
|----------------------|--------------------------------------|---|--|---------------------------------|---------------|-------------------|---------------------------|---------------|-----------|-------------|---|---|--|---|--|--|--|--|----------------------------------|-------------------------------|--|---------------|
| CUSIP Identification | Description | | | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B/A. C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B/A. C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Maturity Date |
| 3133T6-00-7.. | FHLMC 1808-A 5.000% 10/15/07..... | | | D.. | 09/01/2004.. | Paydown..... | | 10,413 | 10,413 | 9,771 | 10,234 | | | 179 | 179 | | 10,413 | | | .0 | .391 | 10/15/2007.. |
| 3133T6-00-7.. | FHLMC 1808-A 5.000% 10/15/07..... | | | D.. | 10/01/2004.. | Paydown..... | | 12,427 | 12,427 | 11,661 | 12,213 | | | 214 | 214 | | 12,427 | | | .0 | .518 | 10/15/2007.. |
| 3133T6-00-7.. | FHLMC 1808-A 5.000% 10/15/07..... | | | D.. | 11/01/2004.. | Paydown..... | | 9,397 | 9,397 | 8,818 | 9,235 | | | 162 | 162 | | 9,397 | | | .0 | .431 | 10/15/2007.. |
| 3133T6-00-7.. | FHLMC 1808-A 5.000% 10/15/07..... | | | D.. | 12/01/2004.. | Paydown..... | | 8,680 | 8,680 | 8,145 | 8,531 | | | 149 | 149 | | 8,680 | | | .0 | .434 | 10/15/2007.. |
| 3133TC-DZ-8.. | FHLMC 2013 PA 5.500% 09/15/11..... | | | D.. | 01/01/2004.. | Paydown..... | | 17,100 | 17,100 | 16,699 | 17,030 | | | 70 | 70 | | 17,100 | | | .0 | .78 | 09/15/2011.. |
| 3133TC-DZ-8.. | FHLMC 2013 PA 5.500% 09/15/11..... | | | D.. | 02/01/2004.. | Paydown..... | | 15,089 | 15,089 | 14,736 | 15,028 | | | 62 | 62 | | 15,089 | | | .0 | .138 | 09/15/2011.. |
| 3133TC-DZ-8.. | FHLMC 2013 PA 5.500% 09/15/11..... | | | D.. | 03/01/2004.. | Paydown..... | | 15,336 | 15,336 | 14,977 | 15,274 | | | 63 | 63 | | 15,336 | | | .0 | .211 | 09/15/2011.. |
| 3133TC-DZ-8.. | FHLMC 2013 PA 5.500% 09/15/11..... | | | D.. | 04/01/2004.. | Paydown..... | | 1,886 | 1,886 | 1,842 | 1,879 | | | 8 | 8 | | 1,886 | | | .0 | .35 | 09/15/2011.. |
| 3133TD-7D-2.. | FHLMC 2038-PC 5.500% 02/15/28..... | | | D.. | 12/01/2004.. | Paydown..... | | 33,935 | 33,935 | 33,681 | 33,756 | | | 180 | 180 | | 33,935 | | | .0 | 1,866 | 02/15/2028.. |
| 3133TE-B5-2.. | FHLMC 2063-PE 5.750% 07/15/26..... | | | D.. | 01/01/2004.. | Paydown..... | | 35,490 | 35,490 | 34,547 | 35,275 | | | 216 | 216 | | 35,490 | | | .0 | .170 | 07/15/2026.. |
| 3133TE-B5-2.. | FHLMC 2063-PE 5.750% 07/15/26..... | | | D.. | 02/01/2004.. | Paydown..... | | 22,009 | 22,009 | 21,424 | 21,875 | | | 134 | 134 | | 22,009 | | | .0 | .211 | 07/15/2026.. |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 01/01/2004.. | Paydown..... | | 8,835 | 8,835 | 8,997 | (111) | | | (111) | | 8,835 | | | .0 | .44 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 02/01/2004.. | Paydown..... | | 8,879 | 8,879 | 9,042 | (111) | | | (111) | | 8,879 | | | .0 | .89 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 03/01/2004.. | Paydown..... | | 8,924 | 8,924 | 9,087 | (112) | | | (112) | | 8,924 | | | .0 | .134 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 04/01/2004.. | Paydown..... | | 8,968 | 8,968 | 9,132 | (112) | | | (112) | | 8,968 | | | .0 | .179 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 05/01/2004.. | Paydown..... | | 9,013 | 9,013 | 9,178 | (113) | | | (113) | | 9,013 | | | .0 | .225 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 06/01/2004.. | Paydown..... | | 9,058 | 9,058 | 9,224 | (113) | | | (113) | | 9,058 | | | .0 | .272 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 07/01/2004.. | Paydown..... | | 9,104 | 9,104 | 9,270 | (114) | | | (114) | | 9,104 | | | .0 | .319 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 08/01/2004.. | Paydown..... | | 9,149 | 9,149 | 9,316 | (114) | | | (114) | | 9,149 | | | .0 | .366 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 09/01/2004.. | Paydown..... | | 78,818 | 78,818 | 80,259 | (986) | | | (986) | | 78,818 | | | .0 | 3,547 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 10/01/2004.. | Paydown..... | | 104,047 | 104,047 | 105,950 | (1,302) | | | (1,302) | | 104,047 | | | .0 | 5,202 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 11/01/2004.. | Paydown..... | | 115,594 | 115,594 | 117,707 | (1,446) | | | (1,446) | | 115,594 | | | .0 | 6,358 | 06/15/2007.. | |
| 3133TR-SM-3.. | FHLMC 2280-VA 6.000% 06/15/07..... | | | D.. | 12/01/2004.. | Paydown..... | | 35,570 | 35,570 | 36,221 | (445) | | | (445) | | 35,570 | | | .0 | 2,134 | 06/15/2007.. | |
| 3133TT-M8-1.. | FHLMC 2315 K 6.000% 05/15/11..... | | | D.. | 01/01/2004.. | Paydown..... | | 97,582 | 97,582 | 95,562 | 97,142 | | | 441 | 441 | | 97,582 | | | .0 | .488 | 05/15/2011.. |
| 3133TT-M8-1.. | FHLMC 2315 K 6.000% 05/15/11..... | | | D.. | 02/01/2004.. | Paydown..... | | 62,884 | 62,884 | 61,582 | 62,600 | | | 284 | 284 | | 62,884 | | | .0 | .629 | 05/15/2011.. |
| 3133TT-M8-1.. | FHLMC 2315 K 6.000% 05/15/11..... | | | D.. | 03/01/2004.. | Paydown..... | | 48,735 | 48,735 | 47,726 | 48,515 | | | 220 | 220 | | 48,735 | | | .0 | .731 | 05/15/2011.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 01/01/2004.. | Paydown..... | | 5,360 | 5,360 | 5,325 | 5,337 | | | 23 | 23 | | 5,360 | | | .0 | .27 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 02/01/2004.. | Paydown..... | | 5,045 | 5,045 | 5,012 | 5,024 | | | 22 | 22 | | 5,045 | | | .0 | .50 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 03/01/2004.. | Paydown..... | | 4,886 | 4,886 | 4,853 | 4,865 | | | 21 | 21 | | 4,886 | | | .0 | .73 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 04/01/2004.. | Paydown..... | | 4,504 | 4,504 | 4,474 | 4,484 | | | 19 | 19 | | 4,504 | | | .0 | .90 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 05/01/2004.. | Paydown..... | | 4,106 | 4,106 | 4,079 | 4,088 | | | 18 | 18 | | 4,106 | | | .0 | .103 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 06/01/2004.. | Paydown..... | | 4,758 | 4,758 | 4,727 | 4,738 | | | 20 | 20 | | 4,758 | | | .0 | .143 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 07/01/2004.. | Paydown..... | | 3,772 | 3,772 | 3,747 | 3,756 | | | 16 | 16 | | 3,772 | | | .0 | .132 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 08/01/2004.. | Paydown..... | | 4,006 | 4,006 | 3,979 | 3,988 | | | 17 | 17 | | 4,006 | | | .0 | .160 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 09/01/2004.. | Paydown..... | | 3,210 | 3,210 | 3,189 | 3,196 | | | 14 | 14 | | 3,210 | | | .0 | .144 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 10/01/2004.. | Paydown..... | | 3,182 | 3,182 | 3,161 | 3,169 | | | 14 | 14 | | 3,182 | | | .0 | .159 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 11/01/2004.. | Paydown..... | | 2,913 | 2,913 | 2,894 | 2,901 | | | 12 | 12 | | 2,913 | | | .0 | .160 | 02/25/2008.. |
| 31358T-TB-5.. | FNMA 1993-014-A 6.000% 02/25/08..... | A | | D.. | 12/01/2004.. | Paydown..... | | 2,792 | 2,792 | 2,773 | 2,780 | | | 12 | 12 | | 2,792 | | | .0 | .168 | 02/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | 01/01/2004.. | Paydown..... | | 18,240 | 18,240 | 18,334 | 6 | | | 6 | 6 | | 18,240 | | | .0 | .103 | 05/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | 02/01/2004.. | Paydown..... | | 17,737 | 17,737 | 17,829 | 6 | | | 6 | 6 | | 17,737 | | | .0 | .200 | 05/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | 03/01/2004.. | Paydown..... | | 17,247 | 17,247 | 17,336 | 6 | | | 6 | 6 | | 17,247 | | | .0 | .291 | 05/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | 04/01/2004.. | Paydown..... | | 16,768 | 16,768 | 16,854 | 6 | | | 6 | 6 | | 16,768 | | | .0 | .377 | 05/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | 05/01/2004.. | Paydown..... | | 16,301 | 16,301 | 16,385 | 6 | | | 6 | 6 | | 16,301 | | | .0 | .458 | 05/25/2008.. |
| 31359A-EG-0.. | FNMA 1993-93 G 6.750% 05/25/08..... | G | | D.. | | | | | | | | | | | | | | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

| CUSIP Identification | Description | Foreign Sign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/Stock Dividends Received During Year | Maturity Date | |
|------------------------------------|---|-----------------|------------------|-----------------------------|---------------------------------|---------------|------------|-------------|--|--|--|---|--|---|--|---|--|-------------------------------------|--|------------------|--------------|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B/A. C.V. (11 + 12 - 13) | 15 Total Foreign Exchange Change in B/A. C.V. | | | | | | | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 03/01/2004.. | Paydown.. | | 185,297 | 185,297 | 181,012 | 183,320 | | 1,977 | | | 1,977 | | 185,297 | | .0 | 2,779 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 04/01/2004.. | Paydown.. | | 299,499 | 299,499 | 292,573 | 296,304 | | 3,195 | | | 3,195 | | 299,499 | | .0 | 5,990 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 05/01/2004.. | Paydown.. | | 274,486 | 274,486 | 268,139 | 271,558 | | 2,928 | | | 2,928 | | 274,486 | | .0 | 6,862 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 06/01/2004.. | Paydown.. | | 249,476 | 249,476 | 243,707 | 246,814 | | 2,661 | | | 2,661 | | 249,476 | | .0 | 7,484 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 07/01/2004.. | Paydown.. | | 213,504 | 213,504 | 208,567 | 211,226 | | 2,278 | | | 2,278 | | 213,504 | | .0 | 7,473 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 08/01/2004.. | Paydown.. | | 165,474 | 165,474 | 161,648 | 163,709 | | 1,765 | | | 1,765 | | 165,474 | | .0 | 6,619 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 09/01/2004.. | Paydown.. | | 105,130 | 105,130 | 102,699 | 104,008 | | 1,122 | | | 1,122 | | 105,130 | | .0 | 4,731 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 10/01/2004.. | Paydown.. | | 103,246 | 103,246 | 100,859 | 102,145 | | 1,101 | | | 1,101 | | 103,246 | | .0 | 5,162 | 05/25/2014.. | |
| 31359U-YR-0.. | FNMA 1998-58 VB 6.000% 05/25/14.. | D.. | 11/01/2004.. | Paydown.. | | 113,914 | 113,914 | 111,279 | 112,698 | | 1,215 | | | 1,215 | | 113,914 | | .0 | 6,265 | 05/25/2014.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 03/01/2004.. | Paydown.. | | 133,664 | 133,664 | 132,181 | 132,752 | | 912 | | | 912 | | 133,664 | | .0 | 2,005 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 04/01/2004.. | Paydown.. | | 197,325 | 197,325 | 195,136 | 195,979 | | 1,346 | | | 1,346 | | 197,325 | | .0 | 3,947 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 05/01/2004.. | Paydown.. | | 182,883 | 182,883 | 180,854 | 181,635 | | 1,247 | | | 1,247 | | 182,883 | | .0 | 4,572 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 06/01/2004.. | Paydown.. | | 138,568 | 138,568 | 137,030 | 137,623 | | 945 | | | 945 | | 138,568 | | .0 | 4,157 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 07/01/2004.. | Paydown.. | | 109,783 | 109,783 | 108,565 | 109,034 | | 749 | | | 749 | | 109,783 | | .0 | 3,842 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 08/01/2004.. | Paydown.. | | 79,469 | 79,469 | 78,588 | 78,927 | | 542 | | | 542 | | 79,469 | | .0 | 3,179 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 09/01/2004.. | Paydown.. | | 57,430 | 57,430 | 56,793 | 57,038 | | 392 | | | 392 | | 57,430 | | .0 | 2,584 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 10/01/2004.. | Paydown.. | | 79,488 | 79,488 | 78,606 | 78,946 | | 542 | | | 542 | | 79,488 | | .0 | 3,974 | 08/25/2027.. | |
| 31392A-WT-1.. | FNMA 2001-71 EC 6.000% 08/25/27.. | D.. | 11/01/2004.. | Paydown.. | | 21,391 | 21,391 | 21,154 | 21,245 | | 146 | | | 146 | | 21,391 | | .0 | 1,176 | 08/25/2027.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 01/01/2004.. | Paydown.. | | 50,137 | 50,137 | 50,599 | 50,081 | | 56 | | | 56 | | 50,137 | | .0 | 251 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 02/01/2004.. | Paydown.. | | 45,376 | 45,376 | 45,794 | 45,325 | | 51 | | | 51 | | 45,376 | | .0 | 454 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 03/01/2004.. | Paydown.. | | 53,659 | 53,659 | 54,154 | 53,599 | | 60 | | | 60 | | 53,659 | | .0 | 805 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 04/01/2004.. | Paydown.. | | 63,088 | 63,088 | 63,669 | 63,018 | | 70 | | | 70 | | 63,088 | | .0 | 1,262 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 05/01/2004.. | Paydown.. | | 67,972 | 67,972 | 68,599 | 67,897 | | 76 | | | 76 | | 67,972 | | .0 | 1,699 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 06/01/2004.. | Paydown.. | | 47,193 | 47,193 | 47,628 | 47,141 | | 53 | | | 53 | | 47,193 | | .0 | 1,416 | 09/25/2014.. | |
| 31392A-XP-8.. | FNMA 2001-71 QC 6.000% 09/25/14.. | D.. | 07/01/2004.. | Paydown.. | | 24,409 | 24,409 | 24,634 | 24,382 | | 27 | | | 27 | | 24,409 | | .0 | 854 | 09/25/2014.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 05/01/2004.. | Paydown.. | | 3,558 | 3,558 | 3,660 | 3,625 | | (68) | | | (68) | | 3,558 | | .0 | 96 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 06/01/2004.. | Paydown.. | | 112,529 | 112,529 | 115,765 | 114,665 | (2,135) | (2,135) | | | (2,135) | | 112,529 | | .0 | 3,657 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 07/01/2004.. | Paydown.. | | 87,111 | 87,111 | 89,616 | 88,764 | (1,653) | (1,653) | | | (1,653) | | 87,111 | | .0 | 3,303 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 08/01/2004.. | Paydown.. | | 77,279 | 77,279 | 79,501 | 78,746 | (1,466) | (1,466) | | | (1,466) | | 77,279 | | .0 | 3,349 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 09/01/2004.. | Paydown.. | | 78,390 | 78,390 | 80,644 | 79,877 | (1,487) | (1,487) | | | (1,487) | | 78,390 | | .0 | 3,821 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 10/01/2004.. | Paydown.. | | 61,700 | 61,700 | 63,474 | 62,870 | (1,171) | (1,171) | | | (1,171) | | 61,700 | | .0 | 3,342 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 11/01/2004.. | Paydown.. | | 61,364 | 61,364 | 63,128 | 62,528 | (1,164) | (1,164) | | | (1,164) | | 61,364 | | .0 | 3,656 | 06/16/2030.. | |
| 383739-RL-5.. | GNMA 2001-6 PM 6.500% 06/16/30.. | D.. | 12/01/2004.. | Paydown.. | | 52,204 | 52,204 | 53,705 | 53,195 | (991) | (991) | | | (991) | | 52,204 | | .0 | 3,393 | 06/16/2030.. | |
| 38373W-AV-0.. | GNMA 2002-11 LC 6.250% 11/20/27.. | D.. | 01/01/2004.. | Paydown.. | | 17,373 | 17,373 | 17,835 | 17,368 | 5 | 5 | | | 5 | | 17,373 | | .0 | 90 | 11/20/2027.. | |
| 86387U-BG-8.. | Sallie Mae 3.625% 09/30/04.. | D.. | 09/30/2004.. | Maturity.. | | 1,000,000 | 1,000,000 | 990,730 | 997,365 | 2,635 | 2,635 | | | 2,635 | | 1,000,000 | | .0 | 36,250 | 09/30/2004.. | |
| 92812T-NX-5.. | Virginia St Hsg Dev Auth Comwl 5.740% 04/01/07.. | D.. | 03/01/2004.. | Call | 100.0000.. | 335,000 | 335,000 | 330,605 | 332,426 | | 134 | | | 134 | | 332,560 | | 2,440 | 2,440 | 8,012 | 04/01/2007.. |
| 3199999 - Bonds - Special Revenues | | | | | | 10,266,910 | 10,266,910 | 10,175,794 | 10,230,801 | 0 | 33,669 | 0 | | 33,669 | 0 | 10,264,471 | 0 | 2,440 | 2,440 | 293,538 | XXX |
| Public Utilities (unaffiliated) | | | | | | | | | | | | | | | | | | | | | |
| 976657-AD-8.. | Wisconsin Energy Corp. 5.500% 12/01/08.. | D.. | 03/05/2004.. | NBC Capital Markets Group.. | | 815,783 | 750,000 | 740,738 | 742,971 | | 206 | | | 206 | | 743,177 | | 72,606 | 72,606 | 11,344 | 12/01/2008.. |
| 98155K-AH-5.. | MCI WorldCom Inc. 6.400% 08/15/05.. | D.. | 04/20/2004.. | Conversion.. | | | 1,000,000 | 949,610 | | | | | | 0 | | | | .0 | | 08/15/2005.. | |
| 3899999 - Bonds - Public Utilities | | | | | | 815,783 | 1,750,000 | 1,690,348 | 742,971 | 0 | 206 | 0 | | 206 | 0 | 743,177 | 0 | 72,606 | 72,606 | 11,344 | XXX |
| Industrial & Miscellaneous | | | | | | | | | | | | | | | | | | | | | |
| 045903-7E-5.. | Associates Corp NA MTN Series G 7.640% 05/26/04.. | D.. | 05/26/2004.. | Maturity.. | | 1,000,000 | 1,000,000 | 981,880 | 997,829 | | 2,171 | | | 2,171 | | 1,000,000 | | .0 | | 43,506 | 05/26/2004.. |
| 14149Y-AC-2.. | Cardinal Health Inc. 4.450% 06/30/05.. | D.. | 03/05/2004.. | NBC Capital Markets Group.. | | 517,940 | 500,000 | 496,675 | 498,474 | | 160 | | | 160 | | 498,634 | | 19,306 | 19,306 | 4,326 | 06/30/2005.. |
| 208251-AC-2.. | Conoco Inc. 5.900% 04/15/04.. | D.. | 04/15/2004.. | Maturity.. | | 1,000,000 | 1,000,000 | 965,800 | 997,156 | | 2,844 | | | 2,844 | | 1,000,000 | | | | 29,500 | 04/15/2004.. |
| 3134A2-2W-7.. | Federal Home Loan Mortgage Cor 5.650% 02/02/06.. | D.. | 03/05/2004.. | NBC Capital Markets Group.. | | 2,465,462 | 2,300,000 | 2,159,195 | 2,241,305 | | 4,869 | | | 4,869 | | 2,246,174 | | 219,288 | 219,288 | 77,970 | 02/02/2006.. |
| 375766-AF-9.. | Gillette Company 3.750% 12/01/04.. | D.. | 12/01/2004.. | Maturity.. | | 500,000 | 500,000 | 511,525 | 509,739 | (| | | | | | | | | | | |

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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 5

Showing all Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

| CUSIP Identification | Description | 3 F o r e i g n | 4 Date Acquired | 5 Name of Vendor | 6 Disposal Date | 7 Name of Purchaser | 8 Par Value (Bonds) or Number of Shares (Stocks) | 9 Actual Cost | 10 Consideration | 11 Book/ Adjusted Carrying Value at Disposal Date | Change in Book/Adjusted Carrying Value | | | | | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Interest and Dividends Received During Year | 21 Paid for Accrued Interest and Dividends | |
|--|---|--|---------------------------|--------------------------------|---------------------------|--------------------------------------|---|----------------------|-------------------------|--|--|--|---|--|--|---|--|---|--|---|------------|
| | | | | | | | | | | | 12 Unrealized Valuation Increase/ (Decrease) | 13 Current Year's (Amortization)/ Accretion | 14 Current Year's Other Than Temporary Impairment Recognized | 15 Total Change In B./A. C.V. (12 + 13 - 14) | 16 Total Foreign Exchange Change in B./A. C.V. | | | | | | |
| BONDS | | | | | | | | | | | | | | | | | | | | | |
| US Governments | | | | | | | | | | | | | | | | | | | | | |
| 3136F4-XH-2..... | Fannie Mae 4.00% 06/08/09..... | D..... | .01/06/2004.. | NBC Capital Markets Group..... | .12/08/2004.. | Call | 100.0000..... | 1,150,000..... | 1,148,203..... | 1,150,000..... | 1,148,507..... | | 304..... | | 304..... | | | 1,493..... | 1,493..... | 46,000..... | 3,706..... |
| 0399999 - Bonds - U.S. Governments | | | | | | | | 1,150,000..... | 1,148,203..... | 1,150,000..... | 1,148,507..... | 0..... | 304..... | 0..... | 304..... | 0..... | 0..... | 1,493..... | 1,493..... | 46,000..... | 3,706..... |
| Special Revenue & Assessment | | | | | | | | | | | | | | | | | | | | | |
| 31393B-WE-1..... | FNMA 2003-42 HC 4.500% 12/25/17..... | D..... | .07/20/2004.. | NBC Capital Markets Group..... | .08/01/2004.. | Paydown..... | | 22,036..... | 22,056..... | 22,036..... | 22,036..... | | (21)..... | | (21)..... | | | 0..... | 83..... | 61..... | |
| 31393B-WE-1..... | FNMA 2003-42 HC 4.500% 12/25/17..... | D..... | .07/20/2004.. | NBC Capital Markets Group..... | .09/01/2004.. | Paydown..... | | 28,962..... | 28,990..... | 28,962..... | 28,962..... | | (27)..... | | (27)..... | | | 0..... | 217..... | 80..... | |
| 31393B-WE-1..... | FNMA 2003-42 HC 4.500% 12/25/17..... | D..... | .07/20/2004.. | NBC Capital Markets Group..... | .10/01/2004.. | Paydown..... | | 25,633..... | 25,657..... | 25,633..... | 25,633..... | | (24)..... | | (24)..... | | | 0..... | 288..... | 70..... | |
| 31393B-WE-1..... | FNMA 2003-42 HC 4.500% 12/25/17..... | D..... | .07/20/2004.. | NBC Capital Markets Group..... | .11/01/2004.. | Paydown..... | | 24,412..... | 24,435..... | 24,412..... | 24,412..... | | (23)..... | | (23)..... | | | 0..... | 366..... | 67..... | |
| 31393B-WE-1..... | FNMA 2003-42 HC 4.500% 12/25/17..... | D..... | .07/20/2004.. | NBC Capital Markets Group..... | .12/01/2004.. | Paydown..... | | 22,629..... | 22,650..... | 22,629..... | 22,629..... | | (21)..... | | (21)..... | | | 0..... | 424..... | 62..... | |
| 3199999 - Bonds - Special Revenue | | | | | | | | 123,672..... | 123,788..... | 123,672..... | 123,672..... | 0..... | (116)..... | 0..... | (116)..... | 0..... | 0..... | 0..... | 0..... | 1,379..... | 340..... |
| Industrial & Miscellaneous | | | | | | | | | | | | | | | | | | | | | |
| 552691-AA-5..... | MCI Inc 5.908% 05/01/07..... | D..... | .04/20/2004.. | Conversion..... | .08/24/2004.. | Legg Mason..... | | 60,000..... | | 58,950..... | | | | | 0..... | | | 58,950..... | 58,950..... | 1,251..... | |
| 552691-AC-1..... | MCI Inc 6.688% 05/01/09..... | D..... | .04/20/2004.. | Conversion..... | .08/24/2004.. | Legg Mason..... | | 60,000..... | | 56,400..... | | | | | 0..... | | | 56,400..... | 56,400..... | 1,416..... | |
| 552691-AE-7..... | MCI Inc 7.735% 05/01/14..... | D..... | .04/20/2004.. | Conversion..... | .08/24/2004.. | Legg Mason..... | | 52,000..... | | 47,840..... | | | | | 0..... | | | 47,840..... | 47,840..... | 1,419..... | |
| 4599999 - Bonds - Industrial and Miscellaneous | | | | | | | | 172,000..... | 0..... | 163,190..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 163,190..... | 163,190..... | 4,085..... | 0..... |
| 6099998 - Total - Bonds | | | | | | | | 1,445,672..... | 1,271,991..... | 1,436,862..... | 1,272,179..... | 0..... | 188..... | 0..... | 188..... | 0..... | 0..... | 164,683..... | 164,683..... | 51,464..... | 4,046..... |
| COMMON STOCK | | | | | | | | | | | | | | | | | | | | | |
| Industrial & Miscellaneous | | | | | | | | | | | | | | | | | | | | | |
| 552691-10-7..... | MCI Inc Common Stock..... | D..... | .04/20/2004.. | Conversion..... | .06/23/2004.. | Salomon Smith Barney (Bonds)..... | 7,800,000..... | | | 107,107..... | | | | | 0..... | | | 107,107..... | 107,107..... | | |
| 58405U-10-2..... | Medco Health Solutions, Inc. Common Stock..... | D..... | .09/02/2003.. | Spin Off..... | .01/07/2004.. | Spear, Leeds & Kellogg..... | 458,280..... | 13,359..... | 14,951..... | 13,359..... | 13,359..... | 0..... | 0..... | 0..... | 0..... | | | 1,592..... | 1,592..... | | |
| 6899999 - Common Stocks - Industrial and Miscellaneous | | | | | | | | 13,359..... | 122,058..... | 13,359..... | 13,359..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 108,699..... | 108,699..... | 0..... | 0..... |
| 7299998 - Total - Common Stocks | | | | | | | | 13,359..... | 122,058..... | 13,359..... | 13,359..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 108,699..... | 108,699..... | 0..... | 0..... |
| 7399999 - Total - Preferred and Common Stocks | | | | | | | | 13,359..... | 122,058..... | 13,359..... | 13,359..... | 0..... | 0..... | 0..... | 0..... | 0..... | 0..... | 108,699..... | 108,699..... | 0..... | 0..... |
| | | | | | | | | | | | | | | | | | | | | | |
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ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

[illegible]

- | | | | |
|----|---|----|--|
| 1. | Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: | \$ | |
| 2. | Total amount of intangible assets nonadmitted: | \$ | |

SCHEDULE D - PART 6 - SECTION 2

[illegible]

ANNUAL STATEMENT FOR THE YEAR 2004 OF THE John Deere Health Plan, Inc.

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

[illegible]

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Schedule DB - Part A - Section 1
NONE

Schedule DB - Part A - Section 2
NONE

Schedule DB - Part A - Section 3
NONE

Schedule DB - Part B - Section 1
NONE

Schedule DB - Part B - Section 2
NONE

Schedule DB - Part B - Section 3
NONE

Schedule DB - Part C - Section 1
NONE

Schedule DB - Part C - Section 2
NONE

Schedule DB - Part C - Section 3
NONE

Schedule DB - Part D - Section 1
NONE

Schedule DB - Part D - Section 2
NONE

Schedule DB - Part D - Section 3

NONE

Schedule DB - Part E - Section 1

NONE

Schedule E - Part 1

NONE

Schedule E - Part 2

NONE

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--|--------|------------------------------------|---|-------------------|------------------------|------------|
| Line Number | Type | Description of Deposit | Where Deposited and Purpose of Deposit | Par or Book Value | Statement Value (a) | Fair Value |
| IL00001..... | B..... | U S Treasury 5.000% 02/15/11..... | Illinois, Illinois National Bank, IL RSD- INSCODE Sec215 125/2-4..... | 500,000 | 519,420 | 531,895 |
| IL00002..... | B..... | U S Treasury 7.000% 07/15/06..... | Illinois, Illinois National Bank, IL RSD- INSCODE Sec215 125/2-4..... | 400,000 | 410,615 | 424,092 |
| IL00003..... | B..... | U S Treasury 5.500% 05/15/09..... | Illinois, Fleet Bank, IL RSD-INSCODE Sec 215/2-6 POS..... | 5,000,000 | 5,112,188 | 5,407,800 |
| IL99999 - Illinois | | | | 5,900,000 | 6,042,223 | 6,363,787 |
| TN00001..... | B..... | U.S. Treasury 4.250% 11/15/13..... | Tennessee, 1st Tennessee Bank, TN RSD by INS CODE 56-32-212..... | 3,450,000 | 3,445,353 | 3,471,701 |
| TN99999 - Tennessee | | | | 3,450,000 | 3,445,353 | 3,471,701 |
| VA00001..... | B..... | U.S. Treasury 3.000% 11/15/07..... | Virginia, Sun.Trust Bank, VA RSD by Reg 28 7..... | 2,100,000 | 2,091,383 | 2,087,043 |
| VA00002..... | B..... | U S Treasury 5.000% 02/15/11..... | Virginia, Sun.Trust Bank, VA RSD by Reg 28 7..... | 500,000 | 519,420 | 531,895 |
| VA00003..... | B..... | U.S. Treasury 4.250% 08/15/13..... | Virginia, Sun.Trust Bank, VA RSD by Reg 28 7..... | 1,500,000 | 1,487,262 | 1,511,835 |
| VA00004..... | B..... | U S Treasury 5.000% 08/15/11..... | Virginia, Sun.Trust Bank, VA RSD by Reg 28 7..... | 500,000 | 491,290 | 532,285 |
| VA99999 - Virginia | | | | 4,600,000 | 4,589,355 | 4,663,058 |
| 9999997 - Totals - Not All Policyholders | | | | 9,350,000 | 9,487,576 | 9,835,488 |
| 9999998 - Totals - All Policyholders | | | | 4,600,000 | 4,589,355 | 4,663,058 |
| 9999999 Totals | | | | 13,950,000 | 14,076,931 | 14,498,546 |

(a) Including \$ 0 cash and short-term investments as defined in SSAP No. 2 of the NAIC Accounting Practices and Procedures Manual.

Statement of Actuarial Opinion

Statutory Annual Statement of John Deere Health Plan, Inc.

As of and for the Year Ended December 31, 2004

I, David O. Thoen, am a Member of the American Academy of Actuaries and am associated with the firm of Deloitte Consulting LLP. My firm has been retained and I have been assigned to review calculations with regard to loss reserves, actuarial liabilities, and related items made by John Deere Health Plan, Inc. I meet the Academy qualifications for rendering this statement of actuarial opinion and am familiar with the valuation requirements applicable to HMOs.

I have examined the actuarial assumptions and actuarial methods used in determining the loss reserves, actuarial liabilities and related actuarial items as listed below, as shown in the annual statement of the organization, as prepared for state regulatory officials, as of December 31, 2004.

| | |
|--|---------------|
| A. Claims Payable (Page 3, Line 1) | \$ 93,091,504 |
| B. Accrued Medical Incentive Pool and bonus payments (Page 3, Line 2) | 337,725 |
| C. Unpaid claims adjustment expenses (Page 3, Line 3) | 0 |
| D. Aggregate Health policy reserves (Page 3, Line 4) | 0 |
| E. Aggregate Health claim reserves (Page 3, Line 7) | 0 |
| F. Experience related refunds | 0 |
| G. Any actuarial liabilities included in Page 3, Line 21 | 0 |

I have relied upon Chanda Fredricksen, Manager, HMO and Statutory Accounting, as to the accuracy and completeness of listings and summaries of policies and contracts in force, asset records and other information underlying the loss reserves and related actuarial items examined. In other respects, my examination included such review of the actuarial assumptions and actuarial methods and such tests of actuarial calculations, as I considered necessary in the circumstances.

My examination considered the need for cash flow testing, but none was performed because such tests were determined to be unnecessary; the cash flows associated with the Company's products and investments are believed to be relatively insensitive to influences such as changes in economic conditions.

In my opinion, the amounts carried in the balance sheet on account of the actuarial items identified above:

- ☐ Are in accordance with presently accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- ☐ Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared;
- ☐ Meet the requirements of the laws of the State of Illinois;

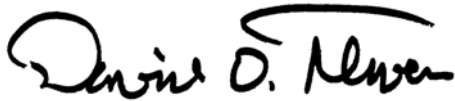
- ❑ Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements;
- ❑ Are computed on the basis of actuarial assumptions consistent with those used in computing the corresponding items in the annual statement of the preceding year-end. The Underwriting and Investment Exhibit, Part 2B was prepared consistent with *Section 3.6, Follow-up Studies* contained in *Actuarial Standards of Practice No. 5, Incurred Health Claim Liabilities* adopted by the Actuarial Standards Board of the American Academy of Actuaries in December 2000.
- ❑ Include appropriate provision for all actuarial items which ought to be established.

The actuarial methods, considerations and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

Regarding providers, it has been presented to me that there are no providers taking significant financial risk. For those taking limited financial risk, I have performed no analysis regarding the financial position of those providers, but have assumed such providers are in a financial position to meet all liabilities resulting from such contracts.

A confidential actuarial memorandum describing the procedures followed, analyses performed and results obtained in support of this statement of opinion has been furnished to the Company and is available for examination by State insurance department officials.

This statement of opinion was prepared for, and is only to be relied upon by, the organization and the insurance departments of states where the opinion is filed.



David O. Thoen, FSA, MAAA
Deloitte Consulting LLP
400 One Financial Plaza
120 South Sixth Street
Minneapolis, MN 55402-1844
(612) 397-4164

February 24, 2005
Date